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# 2021 Federal Low Income Housing Tax Credit Program

## Application For Reservation

### Deadline for Submission

#### 9% Competitive Credits

Applications Must Be Received At VHDA No Later Than **12:00 PM**  
Richmond, VA Time On **March 18, 2021**

#### Tax Exempt Bonds

Applications should be received at VHDA at least one month before the bonds are *priced* (if bonds issued by VHDA), or 75 days before the bonds are *issued* (if bonds are not issued by VHDA)



Virginia Housing  
601 South Belvidere Street  
Richmond, Virginia 23220-6500

## INSTRUCTIONS FOR THE VIRGINIA 2021 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 2016. Please note that using the active Excel workbook does not eliminate the need to submit the required PDF of the signed hardcopy of the application and related documentation. A more detailed explanation of application submission requirements is provided below and in the Application Manual.

**An electronic copy of your completed application is a mandatory submission item.**

### Applications For 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **12:00 PM** Richmond Virginia time on **March 18, 2021**. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

### **Please Note:**

**Applicants should submit all application materials in electronic format only.**

**There should be distinct files which should include the following:**

- 1. Application For Reservation – the active Microsoft Excel workbook**
- 2. A PDF file which includes the following:**
  - Application For Reservation – Signed version of hardcopy
  - All application attachments (i.e. tab documents, excluding market study and plans & specs)
- 3. Market Study – PDF or Microsoft Word format**
- 4. Plans - PDF or other readable electronic format**
- 5. Specifications - PDF or other readable electronic format (may be combined into the same file as the plans if necessary)**
- 6. Unit-By-Unit work write up (rehab only) - PDF or other readable electronic format**

### **IMPORTANT:**

**Virginia Housing only accepts files via our work center sites on Procorem. Contact [TaxCreditApps@virginiahousing.com](mailto:TaxCreditApps@virginiahousing.com) for access to Procorem or for the creation of a new deal workcenter. Do not submit any application materials to any email address unless specifically requested by the Virginia Housing LIHTC Allocation Department staff.**

### Disclaimer:

Virginia Housing assumes no responsibility for any problems incurred in using this spreadsheet or for the accuracy of calculations. Check your application for correctness and completeness before submitting the application to Virginia Housing.

### Entering Data:

Enter numbers or text as appropriate in the blank spaces highlighted in yellow. Cells have been formatted as appropriate for the data expected. All other cells are protected and will not allow changes.

### **Please Note:**

- ▶ **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another.
- ▶ Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.
- ▶ The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the application has been entered.
- ▶ Also note that some cells contain error messages such as “#DIV/0!” as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

### Assistance:

If you have any questions, please contact the Virginia Housing LIHTC Allocation Department. Please note that we cannot release the copy protection password.

### Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
JD Bondurant	<a href="mailto: johndavid.bondurant@virginiahousing.com">johndavid.bondurant@virginiahousing.com</a>	(804) 343-5725
Sheila Stone	<a href="mailto: sheila.stone@virginiahousing.com">sheila.stone@virginiahousing.com</a>	(804) 343-5582
Stephanie Flanders	<a href="mailto: stephanie.flanders@virginiahousing.com">stephanie.flanders@virginiahousing.com</a>	(804) 343-5939
Phil Cunningham	<a href="mailto: phillip.cunningham@virginiahousing.com">phillip.cunningham@virginiahousing.com</a>	(804) 343-5514
Pamela Freeth	<a href="mailto: pamela.freeth@virginiahousing.com">pamela.freeth@virginiahousing.com</a>	(804) 343-5563
Aniyah Moaney	<a href="mailto: aniyah.moaney@virginiahousing.com">aniyah.moaney@virginiahousing.com</a>	(804) 343-5518

## 2021 Low-Income Housing Tax Credit Application For Reservation

Please indicate if the following items are included with your application by putting an 'X' in the appropriate boxes. Your assistance in organizing the submission in the following order, and actually using tabs to mark them as shown, will facilitate review of your application. Please note that all mandatory items must be included for the application to be processed. The inclusion of other items may increase the number of points for which you are eligible under Virginia Housing's point system of ranking applications, and may assist Virginia Housing in its determination of the appropriate amount of credits that may be reserved for the development.

- \$1,000 Application Fee **(MANDATORY)**
  - Electronic Copy of the Microsoft Excel Based Application **(MANDATORY)**
  - Scanned Copy of the **Signed** Tax Credit Application with Attachments (excluding market study and plans & specifications) **(MANDATORY)**
  - Electronic Copy of the Market Study **(MANDATORY - Application will be disqualified if study is not submitted with application)**
  - Electronic Copy of the Plans and Unit by Unit writeup **(MANDATORY)**
  - Electronic Copy of the Specifications **(MANDATORY)**
  - Electronic Copy of the Existing Condition questionnaire **(MANDATORY if Rehab)**
  - Electronic Copy of the Physical Needs Assessment **(MANDATORY at reservation for a 4% rehab request)**
  - Electronic Copy of Appraisal **(MANDATORY if acquisition credits requested)**
  - Electronic Copy of Environmental Site Assessment (Phase I) **(MANDATORY if 4% credits requested)**
  - Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests and Developer Fee Agreement **(MANDATORY)**
  - Tab B: Virginia State Corporation Commission Certification **(MANDATORY)**
  - Tab C: Principal's Previous Participation Certification **(MANDATORY)**
  - Tab D: List of LIHTC Developments (Schedule A) **(MANDATORY)**
  - Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment **(MANDATORY)**
  - Tab F: RESNET Rater Certification **(MANDATORY)**
  - Tab G: Zoning Certification Letter **(MANDATORY)**
  - Tab H: Attorney's Opinion **(MANDATORY)**
  - Tab I: Nonprofit Questionnaire **(MANDATORY for points or pool)**
- The following documents need not be submitted unless requested by Virginia Housing:
- Nonprofit Articles of Incorporation      -IRS Documentation of Nonprofit Status
  - Joint Venture Agreement (if applicable)      -For-profit Consulting Agreement (if applicable)
- Tab J: Relocation Plan and Unit Delivery Schedule **(MANDATORY)**
  - Tab K: Documentation of Development Location:
    - K.1 Revitalization Area Certification
    - K.2 Location Map
    - K.3 Surveyor's Certification of Proximity To Public Transportation
  - Tab L: PHA / Section 8 Notification Letter
  - Tab M: Locality CEO Response Letter
  - Tab N: Homeownership Plan
  - Tab O: Plan of Development Certification Letter
  - Tab P: Developer Experience documentation and Partnership agreements
  - Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property
  - Tab R: Documentation of Operating Budget and Utility Allowances
  - Tab S: Supportive Housing Certification
  - Tab T: Funding Documentation
  - Tab U: Documentation to Request Exception to Restriction-Pools With Little/No Increase in Rent Burdened Population
  - Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
  - Tab W: Internet Safety Plan and Resident Information Form (if internet amenities selected)
  - Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504
  - Tab Y: Inducement Resolution for Tax Exempt Bonds

VHDA TRACKING NUMBER

2021-FEB-86

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 6/16/2021

1. Development Name: Hopewell Heights Apartments
2. Address (line 1): 4105 Old Iron Court #6647  
 Address (line 2):   
 City: Hopewell State: VA Zip: 23860
3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000  
 (Only necessary if street address or street intersections are not available.)
4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:  
 City/County of Hopewell City
5. The site overlaps one or more jurisdictional boundaries..... FALSE  
 If true, what other City/County is the site located in besides response to #4?.....
6. Development is located in the census tract of: 8206.00
7. Development is located in a **Qualified Census Tract**..... TRUE
8. Development is located in a **Difficult Development Area**..... FALSE
9. Development is located in a **Revitalization Area based on QCT** ..... FALSE
10. Development is located in a **Revitalization Area designated by resolution** ..... FALSE
11. Development is located in an **Opportunity Zone** (with a binding commitment for funding)..... FALSE  
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
12. Development is located in a census tract with a poverty rate of.....
 

	3%	10%	12%
	FALSE	FALSE	FALSE

Enter only Numeric Values below:

13. Congressional District: 4
- Planning District: 0
- State Senate District: 16
- State House District: 62

Click on the following link for assistance in determining the districts related to this development:

[Link to Virginia Housing's HOME - Select Virginia LIHTC Reference Map](#)

14. **ACTION:** Provide Location Map (**TAB K2**)

15. Development Description: In the space provided below, give a brief description of the proposed development

Hopewell Heights Apartments is an existing 150-unit 100% HAP property. The development consists of 9 buildings including 8 residential multi-family, two story garden style townhome buildings and a 55+/disability designated midrise complex. The sponsor purchased the property in October 2020 via cash equity. The applicant intends to execute a rehab transaction in Q3 of 2021 utilizing 4% tax credits and tax exempt bonds issued by Hopewell Redevelopment Housing Authority. The bonds will be secured with a refinanced HUD insured first mortgage loan (223f) originated by Bellwether Enterprises.

VHDA TRACKING NUMBER

2021-TEB-86

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

6/16/2021

16. Local Needs and Support

- a. Provide the name and the address of the chief executive officer (City Manager, Town Manager, or County Administrator of the political jurisdiction in which the development will be located:

Chief Executive Officer's Name: John Altman  
 Chief Executive Officer's Title: City Manager Phone: (804) 541-2243  
 Street Address: 300 North Main Street  
 City: Hopewell State: VA Zip: 23860

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Patience Bennett, Mayor - Ward 7 (same address)

- b. If the development overlaps another jurisdiction, please fill in the following:

Chief Executive Officer's Name: \_\_\_\_\_  
 Chief Executive Officer's Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Name and title of local official you have discussed this project with who could answer questions for the local CEO: \_\_\_\_\_

**ACTION:** Provide Locality Notification Letter at **Tab M** if applicable.

**B. RESERVATION REQUEST INFORMATION**

**1. Requesting Credits From:**

a. If requesting 9% Credits, select credit pool:

or

b. If requesting Tax Exempt Bonds, select development type:

For Tax Exempt Bonds, where are bonds being issued?

**ACTION:** Provide Inducement Resolution at **TAB Y** (if available)

**Skip to Number 4 below.**

**2. Type(s) of Allocation/Allocation Year**

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2021.

b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2021, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2021 credits pursuant to Section 42(h)(1)(E).

**3. Select Building Allocation type:**

**Note** regarding Type = Acquisition and Rehabilitation: Even if you acquired a building this year and "placed it in service" for the purpose of the acquisition credit, you cannot receive its acquisition 8609 form until the rehab 8609 is issued for that building.

4. Is this an additional allocation for a development that has buildings not yet placed in service?

5. **Planned Combined 9% and 4% Developments**

A site plan has been submitted with this application indicating two developments on the same or contiguous site. One development relates to this 9% allocation request and the remaining development will be a 4% tax exempt bond application. (25, 35 or 45 pts)

Name of companion development:

a. Has the developer met with Virginia Housing regarding the 4% tax exempt bond deal?

b. List below the number of units planned for each allocation request. This stated count cannot be changed or 9% Credits will be cancelled.

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

% of units in 4% Tax Exempt Allocation Request:

**6. Extended Use Restriction**

**Note:** Each recipient of an allocation of credits will be required to record an **Extended Use Agreement** as required by the IRC governing the use of the development for low-income housing for at least 30 years. Applicant waives the right to pursue a Qualified Contract.

**Must Select One:**

**Definition of selection:**

Development will be subject to an extended use agreement of 35 additional years after the 15-year compliance period for a total of 50 years.

**C. OWNERSHIP INFORMATION**

NOTE: Virginia Housing may allocate credits only to the tax-paying entity which owns the development at the time of the allocation. The term "Owner" herein refers to that entity. Please fill in the legal name of the owner. The ownership entity must be formed prior to submitting this application. Any transfer, direct or indirect, of partnership interests (except those involving the admission of limited partners) prior to the placed-in-service date of the proposed development shall be prohibited, unless the transfer is consented to by Virginia Housing in its sole discretion. **IMPORTANT: The Owner name listed on this page must exactly match the owner name listed on the Virginia State Corporation Commission Certification.**

**1. Owner Information:**

*Must be an individual or legally formed entity.*

Owner Name: ENV - Hopewell Heights, LP

Developer Name: Envolve Community Management, LLC

Contact: M/M ▶ Mr. First: Wade MI: A Last: Wood

Address: 105 Tallapoosa Street

City: Montgomery St. ▶ AL Zip: 36104

Phone: (205) 405-1486 Ext.  Fax: (334) 954-4496

Email address: wade.wood@envovellc.com

Federal I.D. No.  (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ▶ Limited Partnership Formation State: ▶ VA

Additional Contact: Please Provide Name, Email and Phone number.  
Ty Tyson, ty.tyson@envovellc.com

- ACTION:**
- a. Provide Owner's organizational documents (e.g. Partnership agreements and Developer Fee agreement) (Mandatory TAB A)
  - b. Provide Certification from Virginia State Corporation Commission (**Mandatory TAB B**)

**2. Principal(s) of the General Partner:** List names of individuals and ownership interest.

Names **	Phone	Type Ownership	% Ownership	
ENV - Hopewell Heights GP, LLC		GP	0.000%	<i>needs</i>
LRC GP, LLC		Owner	100.000%	
Envolve Communities, LLC		Owner	0.000%	<i>needs</i>
W. Daniel Hughes, Jr.		Owner	0.000%	<i>needs</i>
			0.000%	
			0.000%	
			0.000%	

The above should include 100% of the GP or LLC member interest.

\*\* These should be the names of individuals who make up the General Partnership, not simply the names of entities which may comprise those components.

C. OWNERSHIP INFORMATION

- ACTION:**
  - a. Provide Principals' Previous Participation Certification (**Mandatory TAB C**)
  - b. Provide a chart of ownership structure (Org Chart) and a list of all LIHTC Developments within the last 15 years. (**Mandatory at TABS A/D**)

**3. Developer Experience:** Provide evidence that the principal or principals of the controlling general partner or managing member for the proposed development have developed:

a. as a controlling general partner or managing member, (i) at least three tax credit developments that contain at least three times the number of housing units in the proposed development or (ii) at least six tax credit developments. .... **TRUE**

**Action:** Must be included on Virginia Housing Experienced LIHTC Developer List or provide copies of 8609s, partnership agreements and organizational charts (**Tab P**)

b. at least three deals as principal and have at \$500,000 in liquid assets..... **FALSE**

**Action:** Must be included on the Virginia Housing Experienced LIHTC Developer List or provide Audited Financial Statements and copies of 8609s (**Tab P**)

c. The development's principal(s), as a group or individually, have developed as controlling general partner or managing member, at least one tax credit development that contains at least the same number of units of this proposed development (can include Market units). .... **FALSE**

**Action:** Must provide copies of 8609s and partnership agreements (**Tab P**)

D. SITE CONTROL

**NOTE:** Site control by the Owner identified herein is a mandatory precondition of review of this application. Documentary evidence in the form of either a deed, option, purchase contract or lease for a term longer than the period of time the property will be subject to occupancy restrictions must be included herewith. (For 9% Competitive Credits - An option or contract must extend beyond the application deadline by a minimum of four months.)

**Warning:** Site control by an entity other than the Owner, even if it is a closely related party, is not sufficient. Anticipated future transfers to the Owner are not sufficient. The Owner, as identified previously, must have site control at the time this Application is submitted.

**NOTE:** If the Owner receives a reservation of credits, the property must be titled in the name of or leased by (pursuant to a long-term lease) the Owner before the allocation of credits is made.

Contact Virginia Housing before submitting this application if there are any questions about this requirement.

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type:  Deed

Expiration Date: \_\_\_\_\_

In the Option or Purchase contract - Any contract for the acquisition of a site with an existing residential property may not require an empty building as a condition of such contract, unless relocation assistance is provided to displaced households, if any, at such level required by Virginia Housing. See QAP for further details.

**ACTION:** Provide documentation and most recent real estate tax assessment - **Mandatory TAB E**

FALSE ..... There is more than one site for development and more than one form of site control.

(If **True**, provide documentation for each site specifying number of existing buildings on the site (if any), type of control of each site, and applicable expiration date of stated site control. A site control document is required for each site (**Tab E**.)

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

a.  TRUE ..... Owner already controls site by either deed or long-term lease.

b.  FALSE ..... Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than..... \_\_\_\_\_ .

c.  FALSE ..... There is more than one site for development and more than one expected date of acquisition by Owner.

(If c is **True**, provide documentation for each site specifying number of existing buildings on the site, if any, and expected date of acquisition of each site by Owner (**Tab E**.)

**D. SITE CONTROL**

**3. Seller Information:**

Name: Beacon Communities

Address: 2 Center Plaza, Suite 700

City: Boston St.: MA Zip: 02108

Contact Person: Mary Corthell Phone: (617) 861-7131

There is an identity of interest between the seller and the owner/applicant..... FALSE

If above statement is **TRUE**, complete the following:

Principal(s) involved (e.g. general partners, controlling shareholders, etc.)

Names	Phone	Type Ownership	% Ownership
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

**E. DEVELOPMENT TEAM INFORMATION**

Complete the following as applicable to your development team. Provide Contact and Firm Name.

- |                          |  |                           |                |
|--------------------------|--|---------------------------|----------------|
| 1. Tax Attorney:         | Allison Domson                                       | This is a Related Entity. | FALSE          |
| Firm Name:               | Williams Mullen                                      |                           |                |
| Address:                 | 200 South 10th Street, Suite 1600 Richmond, VA 23219 |                           |                |
| Email:                   | adomson@williamsmullen.com                           | Phone:                    | 804.420.6915   |
|                          |  |                           |                |
| 2. Tax Accountant:       | Kevin Rayfield                                       | This is a Related Entity. | FALSE          |
| Firm Name:               | Dixon, Hughes & Goodman, LLP                         |                           |                |
| Address:                 | 1829 Eastchester Drive High Point, NC 27265          |                           |                |
| Email:                   | kevin.rayfield@dhg.com                               | Phone:                    |                |
|                          |  |                           |                |
| 3. Consultant:           |  | This is a Related Entity. |                |
| Firm Name:               |  | Role:                     |                |
| Address:                 |  |                           |                |
| Email:                   |  | Phone:                    |                |
|                          |  |                           |                |
| 4. Management Entity:    | Involve Community Management, LLC                    | This is a Related Entity. | TRUE           |
| Firm Name:               | Debbie Workman                                       |                           |                |
| Address:                 | 105 Tallapoosa Street Montgomery, AL 36104           |                           |                |
| Email:                   | debbie.workman@envolvellc.com                        | Phone:                    | 334.954.4458   |
|                          |  |                           |                |
| 5. Contractor:           | Ben Tullis   | This is a Related Entity. | FALSE          |
| Firm Name:               | Empire Construction                                  |                           |                |
| Address:                 | 3600 Henson Road Knoxville, TN 37921                 |                           |                |
| Email:                   | btullis@empireinctn.com                              | Phone:                    | 856.251.4800   |
|                          |  |                           |                |
| 6. Architect:            | Dyke Nelson  | This is a Related Entity. | FALSE          |
| Firm Name:               | DNA Workshop   |                           |                |
| Address:                 | 235 South 14th Street Baton Rouge, LA 70802          |                           |                |
| Email:                   | dyke@dna-workshop.com                                | Phone:                    | 225.224.3363   |
|                          |  |                           |                |
| 7. Real Estate Attorney: | Allison Domson                                       | This is a Related Entity. | FALSE          |
| Firm Name:               | Williams Mullen                                      |                           |                |
| Address:                 | 200 South 10th Street, Suite 1600 Richmond, VA 23219 |                           |                |
| Email:                   | adomson@williamsmullen.com                           | Phone:                    | 804.420.6915   |
|                          |  |                           |                |
| 8. Mortgage Banker:      | Jon Killough   | This is a Related Entity. | FALSE          |
| Firm Name:               | Bellwether Enterprises                               |                           |                |
| Address:                 | 7020 Fain Park Drive                                 |                           |                |
| Email:                   | jkillough@bwecap.com                                 | Phone:                    | (334) 399-1460 |
|                          |  |                           |                |
| 9. Other:                |  | This is a Related Entity. | FALSE          |
| Firm Name:               |  | Role:                     |                |
| Address:                 |  |                           |                |
| Email:                   |  | Phone:                    |                |

F. REHAB INFORMATION

1. Acquisition Credit Information

- a. Credits are being requested for existing buildings being acquired for development..... TRUE  
 If no credits are being requested for existing buildings acquired for the development, skip this tab.
- b. This development has received a previous allocation of credits..... FALSE  
 If so, in what year did this development receive credits? .....
- c. The development is listed on the RD 515 Rehabilitation Priority List?..... FALSE
- d. This development is an existing RD or HUD S8/236 development..... FALSE  
**Action:** (If True, provide required form in **TAB Q**)

Note: If there is an identity of interest between the applicant and the seller in this proposal, and the applicant is seeking points in this category, then the applicant must either waive their rights to the developer's fee or other fees associated with acquisition, or obtain a waiver of this requirement from Virginia Housing prior to application submission to receive these points.

- i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition..... FALSE
- ii. Applicant has obtained a waiver of this requirement from Virginia Housing prior to the application submission deadline..... FALSE

2. Ten-Year Rule For Acquisition Credits

- a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/ \$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement..... TRUE
- b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i),..... FALSE
  - i. Subsection (I)..... FALSE
  - ii. Subsection (II)..... FALSE
  - iii. Subsection (III)..... FALSE
  - iv. Subsection (IV)..... FALSE
  - v. Subsection (V)..... FALSE
- c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6)..... FALSE
- d. There are different circumstances for different buildings..... FALSE  
**Action:** (If True, provide an explanation for each building in Tab K)

**F. REHAB INFORMATION**

**3. Rehabilitation Credit Information**

- a. Credits are being requested for rehabilitation expenditures..... **TRUE**
  
- b. **Minimum Expenditure Requirements**
  - i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii)..... **TRUE**
  - ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only)..... **FALSE**
  - iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception..... **FALSE**
  - iv. There are different circumstances for different buildings..... **FALSE**  
**Action:** (If True, provide an explanation for each building in Tab K)

**4. Request For Exception**

- a. The proposed new construction development (including adaptive reuse and rehabilitation that creates additional rental space) is subject to an assessment of up to minus 20 points for being located in a pool identified by the Authority as a pool with little or no increase in rent burdened population..... **FALSE**
  
- b. Applicant seeks an exception to this restriction in accordance with one of the following provisions under 13VAC10-180-60:
  - i. Proposed development is specialized housing designed to meet special needs that cannot readily be addressed utilizing existing residential structures..... **FALSE**
  - ii. Proposed development is designed to serve as a replacement for housing being demolished through redevelopment..... **FALSE**
  - iii. Proposed development is housing that is an integral part of a neighborhood revitalization project sponsored by a local housing authority..... **FALSE**

**Action:** If any of 4(b) responses are true, provide documentation at Tab U.

**G. NONPROFIT INVOLVEMENT**

**Applications for 9% Credits** - Section must be completed in order to compete in the Non Profit tax credit pool.

**All Applicants** - Section must be completed to obtain points for nonprofit involvement.

**1. Tax Credit Nonprofit Pool Applicants:** To qualify for the nonprofit pool, an organization (described in IRC Section 501(c)(3) or 501(c)(4) and exempt from taxation under IRC Section 501(a)) should answer the following questions as TRUE:

- FALSE a. Be authorized to do business in Virginia.
- FALSE b. Be substantially based or active in the community of the development.
- FALSE c. Materially participate in the development and operation of the development throughout the compliance period (i.e., regular, continuous and substantial involvement) in the operation of the development throughout the Compliance Period.
- FALSE d. Own, either directly or through a partnership or limited liability company, 100% of the general partnership or managing member interest.
- FALSE e. Not be affiliated with or controlled by a for-profit organization.
- FALSE f. Not have been formed for the principal purpose of competition in the Non Profit Pool.
- FALSE g. Not have any staff member, officer or member of the board of directors materially participate, directly or indirectly, in the proposed development as a for profit entity.

**2. All Applicants:** To qualify for points under the ranking system, the nonprofit's involvement need not necessarily satisfy all of the requirements for participation in the nonprofit tax credit pool.

**A. Nonprofit Involvement (All Applicants)**

There is nonprofit involvement in this development.....  FALSE (If false, go on to #3.)

**Action:** If there is nonprofit involvement, provide completed Non Profit Questionnaire **(Mandatory TAB I)**.

**B. Type of involvement:**

Nonprofit meets eligibility requirement for points only, not pool.....  FALSE

**or**

Nonprofit meets eligibility requirements for nonprofit pool and points.....  FALSE

**C. Identity of Nonprofit (All nonprofit applicants):**

The nonprofit organization involved in this development is:

Name:  (Please fit NP name within available space)

Contact Person:

Street Address:

City:  State:  Zip:

Phone:  Extension:  Contact Email:

**G. NONPROFIT INVOLVEMENT**

D. Percentage of Nonprofit Ownership (All nonprofit applicants):

Specify the nonprofit entity's percentage ownership of the general partnership interest: 0.0%

**3. Nonprofit/Local Housing Authority Purchase Option/Right of First Refusal**

A. FALSE After the mandatory 15-year compliance period, a qualified nonprofit or local housing authority will have the option to purchase or the right of first refusal to acquire the development for a price not to exceed the outstanding debt and exit taxes. Such debt must be limited to the original mortgage(s) unless any refinancing is approved by the nonprofit.

**Action:** Provide Option or Right of First Refusal in Recordable Form **(TAB V)**  
 Provide Nonprofit Questionnaire (if applicable) **(TAB I)**

**Name of qualified nonprofit:**

**or indicate true if Local Housing Authority** FALSE  
**Name of Local Housing Authority**

2. FALSE A qualified nonprofit or local housing authority submits a homeownership plan committing to sell the units in the development after the mandatory 15-year compliance period to tenants whose incomes shall not exceed the applicable income limit at the time of their initial occupancy.

**Do not select if extended compliance is selected on Request Info Tab**

**Action:** Provide Homeownership Plan **(TAB N)**

**NOTE:** Applicant waives the right to pursue a Qualified Contract.

**H. STRUCTURE AND UNITS INFORMATION**

**1. General Information**

a. Total number of <b>all</b> units in development	150	bedrooms	229
Total number of <b>rental</b> units in development	150	bedrooms	229
Number of low-income rental units	150	bedrooms	229
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units: .....	0	bedrooms	0
Number of rehab units:.....	150	bedrooms	229
c. If any, indicate number of planned exempt units (included in total of all units in development).....			0
d. Total Floor Area For The Entire Development.....			116,162.00 <small>(Sq. ft.)</small>
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage).....			6,657.00 <small>(Sq. ft.)</small>
f. Nonresidential Commercial Floor Area (Not eligible for funding).....			0.00
g. Total Usable Residential Heated Area.....			109,505.00 <small>(Sq. ft.)</small>
h. Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b> .....			0.00%
i. Exact area of site in acres .....	10.785		
j. Locality has approved a final site plan or plan of development..... If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).			FALSE
k. Requirement as of 2016: Site must be properly zoned for proposed development. <b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> )			
l. Development is eligible for Historic Rehab credits.....			FALSE

**Definition:**

The structure is historic, by virtue of being listed individually in the National Register of Historic Places, or due to its location in a registered historic district and certified by the Secretary of the Interior as being of historical significance to the district, and the rehabilitation will be completed in such a manner as to be eligible for historic rehabilitation tax credits.

**H. STRUCTURE AND UNITS INFORMATION**

**2. UNIT MIX**

a. Specify the average size and number per unit type (as indicated in the Architect's Certification):

*Note: Average sq foot should include the prorata of common space.*

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
Supportive Housing	0.00	SF	0	0
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	606.00	SF	95	95
1 Story 2BR - Elderly	1004.00	SF	5	5
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	930.00	SF	32	32
2+ Story 3BR Townhouse	1240.00	SF	12	12
2+ Story 4BR Townhouse	1537.00	SF	6	6
			150	150

**Note: Please be sure to enter the values in the appropriate unit category. If not, errors will occur on the self scoresheet.**

**3. Structures**

- a. Number of Buildings (containing rental units)..... 9
- b. Age of Structure:..... 42 years
- c. Number of stories:..... 6
- d. The development is a scattered site development..... FALSE
- e. Commercial Area Intended Use: 0
- f. Development consists primarily of: **(Only One Option Below Can Be True)**
  - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)..... FALSE
  - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)..... TRUE
  - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)..... FALSE

**H. STRUCTURE AND UNITS INFORMATION**

g. Indicate **True** for all development's structural features that apply:

i. Row House/Townhouse	<u>TRUE</u>	v. Detached Single-family	<u>FALSE</u>
ii. Garden Apartments	<u>FALSE</u>	vi. Detached Two-family	<u>FALSE</u>
iii. Slab on Grade	<u>FALSE</u>	vii. Basement	<u>FALSE</u>
iv. Crawl space	<u>FALSE</u>		

h. Development contains an elevator(s). TRUE  
 If true, # of Elevators. 0  
 Elevator Type (if known) \_\_\_\_\_

i. Roof Type ▶ Flat  
 j. Construction Type ▶ Masonry  
 k. Primary Exterior Finish ▶ Brick

**4. Site Amenities (indicate all proposed)**

a. Business Center.....	<u>FALSE</u>	f. Limited Access.....	<u>FALSE</u>
b. Covered Parking.....	<u>FALSE</u>	g. Playground.....	<u>TRUE</u>
c. Exercise Room.....	<u>FALSE</u>	h. Pool.....	<u>FALSE</u>
d. Gated access to Site.....	<u>FALSE</u>	i. Rental Office.....	<u>TRUE</u>
e. Laundry facilities.....	<u>TRUE</u>	j. Sports Activity Ct..	<u>FALSE</u>
		k. Other:	_____

l. Describe Community Facilities: Monitored and cleaned. Accessible

m. Number of Proposed Parking Spaces..... 152  
 Parking is shared with another entity ..... FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing public bus stop. .... FALSE  
 If **True**, Provide required documentation (**TAB K3**).

**H. STRUCTURE AND UNITS INFORMATION**

**5. Plans and Specifications**

- a. **Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
  - i. A location map with development clearly defined.
  - ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
  - iii. Sketch plans of all building(s) reflecting overall dimensions of:
    - a. Typical floor plan(s) showing apartment types and placement
    - b. Ground floor plan(s) showing common areas
    - c. Sketch floor plan(s) of typical dwelling unit(s)
    - d. Typical wall section(s) showing footing, foundation, wall and floor structure  
Notes must indicate basic materials in structure, floor and exterior finish.
  
- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
  - i. Phase I environmental assessment.
  - ii. Physical needs assessment for any rehab only development.

**NOTE:** All developments must meet Virginia Housing's **Minimum Design and Construction Requirements**. By signing and submitting the Application for Reservation of LIHTC, the applicant certifies that the proposed project budget, plans & specifications and work write-ups incorporate all necessary elements to fulfill these requirements.

**6. Market Study Data:**

Obtain the following information from the **Market Study** conducted in connection with this tax credit application:

Project Wide Capture Rate - LIHTC Units	18.40%
Project Wide Capture Rate - Market Units	0.00%
Project Wide Capture Rate - All Units	6.00%
Project Wide Absorption Period (Months)	3

**J. ENHANCEMENTS**

Each development must meet the following baseline energy performance standard applicable to the development's construction category.

- a. **New Construction:** must meet all criteria for EPA EnergyStar certification.
- b. **Rehabilitation:** renovation must result in at least a 30% performance increase or score an 80 or lower on the HERS Index.
- c. **Adaptive Reuse:** must score a 95 or lower on the HERS Index.

Certification and HERS Index score must be verified by a third-party, independent, non-affiliated, certified RESNET home energy rater.

Indicate **True** for the following items that apply to the proposed development:

**ACTION:** Provide RESNET rater certification (**TAB F**)

**ACTION:** Provide Internet Safety Plan and Resident Information Form (Tab W) if options selected below.

**1. For any development, upon completion of construction/rehabilitation:**

New Constr.
----------------

- TRUE a. A community/meeting room with a minimum of 749 square feet is provided.
- 50.00% b. Percentage of brick or other similar low-maintenance material approved by the Authority covering the exterior walls. Community buildings are to be included in percentage calculations.
- TRUE c. Water expense is sub-metered (the tenant will pay monthly or bi-monthly bill).  
**Error: Owner should not pay water on Utilities if submetered.**
- FALSE d. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
- FALSE e. Each unit is provided with the necessary infrastructure for high-speed internet/broadband service.
- TRUE f. Free WiFi access will be provided in community room for resident only usage.
- FALSE g. Each unit is provided free individual high speed internet access.
- or
- FALSE h. Each unit is provided free individual WiFi access.
- FALSE i. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
- or
- FALSE j. Full bath fans are equipped with a humidistat.
- TRUE k. Cooking surfaces are equipped with fire prevention features
- or
- FALSE l. Cooking surfaces are equipped with fire suppression features.
- FALSE m. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- FALSE n. All Construction types: each unit is equipped with a permanent dehumidification system.
- FALSE o. All interior doors within units are solid core.
- FALSE p. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- TRUE q. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
- FALSE r. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.
- FALSE s. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

**J. ENHANCEMENTS**

**For all developments exclusively serving elderly tenants upon completion of construction/rehabilitation:**

- FALSE** a. All cooking ranges have front controls.
- FALSE** b. Bathrooms have an independent or supplemental heat source.
- FALSE** c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.

**2. Green Certification**

- a. Applicant agrees to meet the base line energy performance standard applicable to the development's construction category as listed above.

The applicant will also obtain one of the following:

- |   |   |
|---|---|
| <b>FALSE</b> Earthcraft Gold or higher certification        | <b>FALSE</b> National Green Building Standard (NGBS) certification of Silver or higher. |
| <b>FALSE</b> U.S. Green Building Council LEED certification | <b>FALSE</b> Enterprise Green Communities (EGC) Certification                           |

**Action:** If seeking any points associated Green certification, provide appropriate documentation at **TAB F**.

- b. Applicant will pursue one of the following certifications to be awarded points on a future development application. (Failure to reach this goal will not result in a penalty.)

- |  |                                      |
|--|--------------------------------------|
| <b>FALSE</b> Zero Energy Ready Home Requirements | <b>FALSE</b> Passive House Standards |
|--|--------------------------------------|

**3. Universal Design - Units Meeting Universal Design Standards (units must be shown on Plans)**

- FALSE** a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.
- 0** b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:  
0% of Total Rental Units

- 4. **FALSE** Market-rate units' amenities are substantially equivalent to those of the low income units.

If not, please explain: \_\_\_\_\_

<b>JDN</b>	<b>Architect of Record initial here that the above information is accurate per certification statement within this application.</b>
------------	---

**I. UTILITIES**

1. Utilities Types:

- a. Heating Type Heat Pump
- b. Cooking Type Electric
- c. AC Type Window Unit
- d. Hot Water Type Gas

2. Indicate True if the following services will be included in Rent:

- |                 |              |                      |              |
|-----------------|--------------|----------------------|--------------|
| Water?.....     | <u>TRUE</u>  | Heat?.....           | <u>FALSE</u> |
| Hot Water?..... | <u>FALSE</u> | AC?.....             | <u>FALSE</u> |
| Lighting?.....  | <u>FALSE</u> | Sewer?.....          | <u>TRUE</u>  |
| Cooking? .....  | <u>FALSE</u> | Trash Removal? ..... | <u>TRUE</u>  |

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	72	121	166	139
Air Conditioning	0	0	0	0	0
Cooking	0	0	0	0	0
Lighting	0	0	0	0	0
Hot Water	0	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$72	\$121	\$166	\$139

3. The following sources were used for Utility Allowance Calculation (Provide documentation **TAB R**).

- a. TRUE HUD
- b. FALSE Utility Company (Estimate)
- c. FALSE Utility Company (Actual Survey)
- d. FALSE Local PHA
- e. FALSE Other: \_\_\_\_\_

**Warning:** The Virginia Housing housing choice voucher program utility schedule shown on VirginiaHousing.com should not be used unless directed to do so by the local housing authority.

**K. SPECIAL HOUSING NEEDS**

**NOTE:** Any Applicant commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.

1. **Accessibility:** Indicate **True** for the following point categories, as appropriate.

**Action:** Provide appropriate documentation (**Tab X**)

**FALSE**

a. Any development in which (i) the greater of 5 units or 10% of units will be assisted by HUD project-based vouchers (as evidenced by the submission of a letter satisfactory to the Authority from an authorized public housing authority (PHA) that the development meets all prerequisites for such assistance), or another form of documented and binding federal project-based rent subsidies in order to ensure occupancy by extremely low-income persons. Locality project based rental subsidy meets the definition of state project based rental subsidy;

(ii) will conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.

(iii) above must include roll-in showers, roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

Documentation from source of assistance must be provided with the application.

**Note:** Subsidies may apply to any units, not only those built to satisfy Section 504. (60 points)

**FALSE**

b. Any development in which the greater of 5 units or 10% of the units (i) have rents within HUD’s Housing Choice Voucher (“HCV”) payment standard; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits (30 points)

**TRUE**

c. Any development in which 5% of the units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of this application for credits. (15 points)

**For items a,b or c, all common space must also conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act.**

**JDN** Architect of Record initial here that the above information is accurate per certification statement within this application.

K. SPECIAL HOUSING NEEDS

2. Special Housing Needs/Leasing Preference:

a. If not general population, select applicable special population:

- FALSE Elderly (as defined by the United States Fair Housing Act.)
- FALSE Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only
- FALSE Supportive Housing (as described in the Tax Credit Manual)

**Action:** Provide Permanent Supportive Housing Certification (Tab S)

**Error- Check Unit Mix on Structure Tab for Elderly Units**

b. The development has existing tenants and a relocation plan has been developed..... FALSE

(If True, Virginia Housing policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties.)

**Action:** Provide Relocation Plan and Unit Delivery Schedule (Mandatory if tenants are displaced - Tab J)

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: No

Organization which holds waiting list: \_\_\_\_\_

Contact person: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**Action:** Provide required notification documentation (TAB L)

b. Leasing preference will be given to individuals and families with children..... FALSE  
(Less than or equal to 20% of the units must have of 1 or less bedrooms).

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 0  
% of total Low Income Units 0%

**NOTE:** Development must utilize a Virginia Housing Certified Management Agent. Proof of management certification must be provided before 8609s are issued.

K. SPECIAL HOUSING NEEDS

3. Target Population Leasing Preference

Unless prohibited by an applicable federal subsidy program, each applicant shall commit to provide a leasing preference to individuals (i) in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth, (ii) having a voucher or other binding commitment for rental assistance from the Commonwealth, and (iii) referred to the development by a referring agent approved by the Authority. The leasing preference shall not be applied to more than ten percent (10%) of the units in the development at any given time. The applicant may not impose tenant selection criteria or leasing terms with respect to individuals receiving this preference that are more restrictive than the applicant’s tenant selection criteria or leasing terms applicable to prospective tenants in the development that do not receive this preference, the eligibility criteria for the rental assistance from the Commonwealth, or any eligibility criteria contained in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.

Primary Contact for Target Population leasing preference. The agency will contact as needed.

First Name: Randilyn

Last Name: Ladig

Phone Number: (832) 392-8391 Email: randliyn.ladig@envolvellc.com

4. Rental Assistance

a. Some of the low-income units do or will receive rental assistance..... TRUE

b. Indicate True if rental assistance will be available from the following

FALSE Rental Assistance Demonstration (RAD) or other PHA conversion to based rental assistance.

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 8 Certificates

TRUE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers

\*Administering Organization:

FALSE State Assistance

\*Administering Organization:

FALSE Other:

K. SPECIAL HOUSING NEEDS

c. The Project Based vouchers above are applicable to the 30% units seeking points.

FALSE

i. If True above, how many of the 30% units will not have project based vouchers?

0

d. Number of units receiving assistance:

150

How many years in rental assistance contract?

20.00

Expiration date of contract:

8/1/2041

There is an Option to Renew.....

TRUE

Action: Contract or other agreement provided (TAB Q).

**L. UNIT DETAILS**

**1. Set-Aside Election: UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY**

Note: In order to qualify for any tax credits, a development must meet one of two minimum threshold occupancy tests. Either (i) at least 20% of the units must be rent-restricted and occupied by persons whose incomes are 50% or less of the area median income adjusted for family size (this is called the 20/50 test) or (ii) at least 40% of the units must be rent-restricted and occupied by persons whose incomes are 60% or less of the area median income adjusted for family size (this is called the 40/60 test), all as described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

**a. Units Provided Per Household Type:**

Income Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
0	0.00%	40% Area Median	0%
0	0.00%	50% Area Median	0%
150	100.00%	60% Area Median	99.99%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	0%
150	100.00%	<b>Total</b>	60.00%

Rent Levels			Avg Inc.
# of Units	% of Units		
0	0.00%	20% Area Median	0%
0	0.00%	30% Area Median	0%
0	0.00%	40% Area Median	0%
0	0.00%	50% Area Median	0%
150	100.00%	60% Area Median	99.99%
0	0.00%	70% Area Median	0%
0	0.00%	80% Area Median	0%
0	0.00%	Market Units	0%
150	100.00%	<b>Total</b>	60.00%

- b. The development plans to utilize average income..... **FALSE**  
 If true, should the points based on the units assigned to the levels above **be waived** and therefore not required for compliance?  
 20-30% Levels **FALSE**      40% Levels **FALSE**      50% levels **FALSE**

**2. Unit Detail FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID**

In the following grid, add a row for each unique unit type planned within the development. Enter the appropriate data for both tax credit and market rate units.

Architect of Record initial here that the information below is accurate per certification statement within this application.

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	60% AMI	95	95	606.00	\$940.00	\$89,300
Mix 2	2 BR - 1 Bath	60% AMI	5	5	1004.00	\$1,065.00	\$5,325
Mix 3	2 BR - 1 Bath	60% AMI	32	32	930.00	\$1,110.00	\$35,520
Mix 4	3 BR - 1.5 Bath	60% AMI	12	12	1240.00	\$1,335.00	\$16,020
Mix 5	4 BR - 2 Bath	60% AMI	6	6	1572.00	\$1,560.00	\$9,360
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0

L. UNIT DETAILS

Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
Mix 30								\$0
Mix 31								\$0
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Mix 63								\$0
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Mix 67								\$0
Mix 68								\$0
Mix 69								\$0
Mix 70								\$0
Mix 71								\$0
Mix 72								\$0
Mix 73								\$0

**L. UNIT DETAILS**

Mix 74							\$0
Mix 75							\$0
Mix 76							\$0
Mix 77							\$0
Mix 78							\$0
Mix 79							\$0
Mix 80							\$0
Mix 81							\$0
Mix 82							\$0
Mix 83							\$0
Mix 84							\$0
Mix 85							\$0
Mix 86							\$0
Mix 87							\$0
Mix 88							\$0
Mix 89							\$0
Mix 90							\$0
Mix 91							\$0
Mix 92							\$0
Mix 93							\$0
Mix 94							\$0
Mix 95							\$0
Mix 96							\$0
Mix 97							\$0
Mix 98							\$0
Mix 99							\$0
Mix 100							\$0
<b>TOTALS</b>			150	150			\$155,525

<b>Total Units</b>	<b>150</b>	<b>Net Rentable SF:</b>	<b>TC Units</b>	<b>116,662.00</b>
			<b>MKT Units</b>	<b>0.00</b>
			<b>Total NR SF:</b>	<b>116,662.00</b>

<b>Floor Space Fraction (to 7 decimals)</b>	<b>100.00000%</b>
---	-------------------

**M. OPERATING EXPENSES**

**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			
2. Office Salaries			\$128,951
3. Office Supplies			\$22,170
4. Office/Model Apartment	(type _____)		
5. Management Fee			\$70,919
<u>3.98%</u> of EGI	<u>\$472.79</u>	Per Unit	
6. Manager Salaries			
7. Staff Unit (s)	(type _____)		
8. Legal			\$1,613
9. Auditing			\$8,500
10. Bookkeeping/Accounting Fees			
11. Telephone & Answering Service			\$10,000
12. Tax Credit Monitoring Fee			
13. Miscellaneous Administrative			\$12,337
<b>Total Administrative</b>			<b>\$254,490</b>

**Utilities**

14. Fuel Oil			
15. Electricity			\$29,850
16. Water			\$46,884
17. Gas			
18. Sewer			\$32,118
<b>Total Utility</b>			<b>\$108,852</b>

**Operating:**

19. Janitor/Cleaning Payroll			\$88,882
20. Janitor/Cleaning Supplies			
21. Janitor/Cleaning Contract			
22. Exterminating			\$10,264
23. Trash Removal			\$23,191
24. Security Payroll/Contract			
25. Grounds Payroll			
26. Grounds Supplies			
27. Grounds Contract			\$63,462
28. Maintenance/Repairs Payroll			
29. Repairs/Material			\$10,000
30. Repairs Contract			
31. Elevator Maintenance/Contract			\$12,769
32. Heating/Cooling Repairs & Maintenance			
33. Pool Maintenance/Contract/Staff			
34. Snow Removal			
35. Decorating/Payroll/Contract			\$20,585
36. Decorating Supplies			
37. Miscellaneous			\$61,522
<b>Totals Operating &amp; Maintenance</b>			<b>\$290,675</b>

**M. OPERATING EXPENSES**

**Taxes & Insurance**

38. Real Estate Taxes	\$140,400
39. Payroll Taxes	\$42,000
40. Miscellaneous Taxes/Licenses/Permits	
41. Property & Liability Insurance	\$40,000
42. Fidelity Bond	
43. Workman's Compensation	
44. Health Insurance & Employee Benefits	
45. Other Insurance	
<b>Total Taxes &amp; Insurance</b>	<b>\$222,400</b>

<b>Total Operating Expense</b>	<b>\$876,417</b>
--------------------------------	------------------

<b>Total Operating Expenses Per Unit</b>	<b>\$5,843</b>	<b>C. Total Operating Expenses as % of EGI</b>	<b>49.24%</b>
--	----------------	--	---------------

<b>Replacement Reserves (Total # Units X \$300 or \$250 New Const. Elderly Minimum)</b>	<b>\$52,500</b>
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<b>Total Expenses</b>	<b>\$928,917</b>
-----------------------	------------------

**ACTION:** Provide Documentation of Operating Budget at **Tab R** if applicable.

**N. PROJECT SCHEDULE**

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
<b>1. SITE</b>		
a. Option/Contract		
b. Site Acquisition	10/16/2020	Wade Wood
c. Zoning Approval	3/25/2021	Allison Domson
d. Site Plan Approval		
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
i. Loan Application	6/9/2021	Wade Wood
ii. Conditional Commitment	8/9/2021	Wade Wood
iii. Firm Commitment	8/9/2021	Wade Wood
<b>b. Permanent Loan - First Lien</b>		
i. Loan Application	6/9/2021	Wade Wood
ii. Conditional Commitment	8/9/2021	Wade Wood
iii. Firm Commitment	8/9/2021	Wade Wood
<b>c. Permanent Loan-Second Lien</b>		
i. Loan Application		
ii. Conditional Commitment		
iii. Firm Commitment		
<b>d. Other Loans &amp; Grants</b>		
i. Type & Source, List		
ii. Application		
iii. Award/Commitment		
<b>2. Formation of Owner</b>	7/20/2020	Allison Domson
<b>3. IRS Approval of Nonprofit Status</b>		
<b>4. Closing and Transfer of Property to Owner</b>	10/16/2020	Wade Wood
<b>5. Plans and Specifications, Working Drawings</b>	3/31/2021	Dyke Nelson
<b>6. Building Permit Issued by Local Government</b>	6/1/2021	Dyke Nelson
<b>7. Start Construction</b>	9/15/2021	Ben Tullis
<b>8. Begin Lease-up</b>	9/15/2021	Debbie Workman
<b>9. Complete Construction</b>	9/15/2022	Ben Tullis
<b>10. Complete Lease-Up</b>	9/15/2022	Debbie Workman
<b>11. Credit Placed in Service Date</b>	11/15/2022	Wade Wood

**O. PROJECT BUDGET - HARD COSTS****Cost/Basis/Maximum Allowable Credit**

Complete cost column and basis column(s) as appropriate

Note: Attorney must opine, among other things, as to correctness of the inclusion of each cost item in eligible basis, type of credit and numerical calculations included in Project Budget.

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>1. Contractor Cost</b>				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	4,488,584	0	4,488,584	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
e. Structured Parking Garage	0	0	0	0
<b>Total Structure</b>	4,488,584	0	4,488,584	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Roads & Walks	0	0	0	0
i. Site Improvements	0	0	0	0
j. Lawns & Planting	0	0	0	0
k. Engineering	0	0	0	0
l. Off-Site Improvements	0	0	0	0
m. Site Environmental Mitigation	0	0	0	0
n. Demolition	0	0	0	0
o. Site Work	0	0	0	0
p. Other Site work	0	0	0	0
<b>Total Land Improvements</b>	0	0	0	0
<b>Total Structure and Land</b>	4,488,584	0	4,488,584	0
q. General Requirements	269,315	0	269,315	0
r. Builder's Overhead ( 2.0% Contract)	89,771	0	89,771	0
s. Builder's Profit ( 6.0% Contract)	269,315	0	269,315	0
t. Bonds	0	0	0	0
u. Building Permits	53,000	0	53,000	0
v. Special Construction	0	0	0	0
w. Special Equipment	0	0	0	0
x. Other 1: Cost Cert.	10,000	0	10,000	0
y. Other 2:	0	0	0	0
z. Other 3:	0	0	0	0
<b>Contractor Costs</b>	<b>\$5,179,985</b>	<b>\$0</b>	<b>\$5,179,985</b>	<b>\$0</b>

**O. PROJECT BUDGET - OWNER COSTS****MUST USE WHOLE NUMBERS ONLY!**

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
<b>2. Owner Costs</b>				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$1,333 /Unit)	200,000	0	200,000	0
c. Architecture Supervision Fee \$0 /Unit)	0	0	0	0
d. Tap Fees	0	0	0	0
e. Environmental	5,000	5,000		0
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	7,500	0	7,500	0
i. Market Study	10,000	0	5,000	0
j. Site Engineering / Survey	10,000	7,842		0
k. Construction/Development Mgt	16,500	0	16,500	0
l. Structural/Mechanical Study	5,000	0	5,000	0
m. Construction Loan Origination Fee	0	0	0	0
n. Construction Interest ( 0.0% for 0 months)	0	0	0	0
o. Taxes During Construction	0	0	0	0
p. Insurance During Construction	0	0	0	0
q. Permanent Loan Fee ( 0.0% )	154,530	0	0	0
r. Other Permanent Loan Fees	269,250	0	0	0
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	10,000	0	0	0
v. Title and Recording	160,000	125,467	0	0
w. Legal Fees for Closing	159,000	0	29,500	0
x. Mortgage Banker	154,530	0	0	0
y. Tax Credit Fee	59,709			
z. Tenant Relocation	100,000	0	0	0
aa. Fixtures, Furnitures and Equipment	10,000	0	0	0
ab. Organization Costs	0	0	0	0
ac. Operating Reserve	798,910	0	0	0
ad. Contingency	517,995	0	517,995	0
ae. Security	0	0	0	0
af. Utilities	0	0	0	0

**O. PROJECT BUDGET - OWNER COSTS**

(1) Other* specify: Travel	10,000	0	0	0
(2) Other* specify: Insurance	40,000	0	0	0
(3) Other* specify: RE Taxes	140,400	0	0	0
(4) Other* specify: VHDA LIHTC App./Mon. Fee	5,250	0	0	0
(5) Other* specify: VHDA RESNET	25,750	0	0	0
(6) Other* specify: Soft Cost Contingency	35,000	0	0	0
(7) Other* specify: BWE Third Parties	60,000	0	0	0
(8) Other* specify: Termite Inspection	3,000	0	0	0
(9) Other* specify: Equity Syndication Fee	70,000	0	0	0
(10) Other* specify: IDRR	200,000	0	0	0
<b>Owner Costs Subtotal (Sum 2A..2(10))</b>	<b>\$3,237,324</b>	<b>\$138,309</b>	<b>\$781,495</b>	<b>\$0</b>
<b>Subtotal 1 + 2</b> (Owner + Contractor Costs)	<b>\$8,417,309</b>	<b>\$138,309</b>	<b>\$5,961,480</b>	<b>\$0</b>
<b>3. Developer's Fees</b>	<b>2,063,385</b>	<b>1,461,167</b>	<b>602,218</b>	<b>0</b>
<b>Action:</b> Provide Developer Fee Agreement (Tab A)				
<b>4. Owner's Acquisition Costs</b>				
Land	2,590,000			
Existing Improvements	9,410,000	9,410,000		
Subtotal 4:	\$12,000,000	\$9,410,000		
<b>5. Total Development Costs</b>				
Subtotal 1+2+3+4:	\$22,480,694	\$11,009,476	\$6,563,698	\$0

If this application seeks rehab credits only, in which there is no acquisition and **no change in ownership**, enter the greater of appraised value or tax assessment value here:

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

**Maximum Developer Fee:** \$2,063,385

Proposed Development's Cost per Sq Foot \$90 **Meets Limits**  
 Applicable Cost Limit by Square Foot: \$197

**2021 Low-Income Housing Tax Credit Application For Reservation**

**P. ELIGIBLE BASIS CALCULATION**

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
<b>1. Total Development Costs</b>	22,480,694	11,009,476	6,563,698	0
<b>2. Reductions in Eligible Basis</b>				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	0
<b>3. Total Eligible Basis (1 - 2 above)</b>		11,009,476	6,563,698	0
<b>4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)</b>				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			1,969,109	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
<b>Total Adjusted Eligible basis</b>			8,532,807	0
<b>5. Applicable Fraction</b>		100.00000%	100.00000%	100.00000%
<b>6. Total Qualified Basis</b> (Eligible Basis x Applicable Fraction)		11,009,476	8,532,807	0
<b>7. Applicable Percentage</b> <i>(Beginning in 2021, All Tax Exempt requests should use the standard 4% rate and all 9% requests should use the standard 9% rate.)</i>		4.00%	4.00%	4.00%
<b>8. Maximum Allowable Credit under IRC §42</b> (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$440,379	\$341,312	\$0
		\$781,691 Combined 30% & 70% P. V. Credit		

**Q. SOURCES OF FUNDS**

**Action:** Provide Documentation for all Funding Sources at **Tab T**

**1. Construction Financing:** List individually the sources of construction financing, including any such loans financed through grant sources:

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1. First Mortgage	06/09/21	08/09/21	\$15,453,000	Jon Killough
2.				
3.				
Total Construction Funding:			\$15,453,000	

**2. Permanent Financing:** List individually the sources of all permanent financing in order of lien position:

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1. First Mortgage	6/9/2021	8/9/2021	\$15,453,000	\$668,903	2.56%	35.00	35.00
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$15,453,000	\$668,903			

**3. Grants:** List all grants provided for the development:

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.				
2.				
3.				
4.				
5.				
6.				
Total Permanent Grants:			\$0	

**Q. SOURCES OF FUNDS**

**4. Subsidized Funding**

	Source of Funds	Date of Commitment	Amount of Funds
1.			
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$0

**5. Recap of Federal, State, and Local Funds**

Portions of the sources of funds described above for the development are financed directly or indirectly with Federal, State, or Local Government Funds..... **FALSE**

If above is **True**, then list the amount of money involved by all appropriate types.

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$10,500,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	VHDA SPARC/REACH	
g.	HOME Funds	\$0
h.	Other:	\$0
i.	Other:	\$0

Market-Rate Loans

a.	Taxable Bonds	\$4,953,000
b.	Section 220	\$0
c.	Section 221(d)(3)	\$0
d.	Section 221(d)(4)	\$0
e.	Section 236	\$0
f.	Section 223(f)	\$0
g.	Other:	\$0

Grants\*

a.	CDBG	\$0
b.	UDAG	\$0

Grants

c.	State	
d.	Local	
e.	Other:	

\*This means grants to the partnership. If you received a loan financed by a locality which received one of the listed grants, please list it in the appropriate loan column as "other" and describe the applicable grant program which funded it.

**Q. SOURCES OF FUNDS**

**6. For Transactions Using Tax-Exempt Bonds Seeking 4% Credits:**

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **52.08%**

7. Some of the development's financing has credit enhancements..... **TRUE**

If **True**, list which financing and describe the credit enhancement:

**HUD/FHA Guarantee of First Mortgage**

**8. Other Subsidies** **Action:** Provide documentation (**Tab Q**)

a. **FALSE** Real Estate Tax Abatement on the increase in the value of the development.

b. **FALSE** **New** project based subsidy from HUD or Rural Development for the greater of 5 or 10% of the units in the development.

c. **FALSE** Other

9. A HUD approval for transfer of physical asset is required..... **FALSE**

**R. EQUITY**

**1. Equity**

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit					
Amount of Federal historic credits	\$0	x Equity \$	\$0.000	=	\$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	=	\$0

b. Equity that Sponsor will Fund:

i. Cash Investment	\$0	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$441,945	(Note: Deferred Developer Fee cannot be negative.)
iv. Other:	\$0	

**ACTION:** If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at **TAB A**.

<b>Equity Total</b>	\$441,945
---------------------	-----------

**2. Equity Gap Calculation**

a. Total Development Cost	\$22,480,694
b. Total of Permanent Funding, Grants and Equity	- \$15,894,945
c. Equity Gap	\$6,585,749
d. Developer Equity	- \$659
e. Equity gap to be funded with low-income tax credit proceeds	\$6,585,090

**3. Syndication Information (If Applicable)**

a. Actual or Anticipated Name of Syndicator:	Enterprise Housing Credit Investments		
Contact Person:	Bryan Hollander	Phone:	(919) 452-4993
Street Address:	421 Fayetteville Street		
City:	Raleigh, NC	State:	NC
		Zip:	27601

b. Syndication Equity

i. Anticipated Annual Credits	\$781,691.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.843
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0
v. Net credit amount anticipated by user of credits	\$781,613
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$6,585,090

c. Syndication:	Private
d. Investors:	Corporate

**4. Net Syndication Amount**

Which will be used to pay for Total Development Costs	\$6,585,090
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**5. Net Equity Factor**

Must be equal to or greater than 85%	84.2500243045%
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**S. DETERMINATION OF RESERVATION AMOUNT NEEDED**

The following calculation of the amount of credits needed is substantially the same as the calculation which will be made by Virginia Housing to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, Virginia Housing at all times retains the right to substitute such information and assumptions as are determined by Virginia Housing to be reasonable for the information and assumptions provided herein as to costs (including development fees, profits, etc.), sources for funding, expected equity, etc. Accordingly, if the development is selected by Virginia Housing for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$22,480,694</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$15,894,945</u>
3. Equals Equity Gap		<u>\$6,585,749</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>84.2500243045%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$7,816,910</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$781,691</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$781,691</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$781,691</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$5,211.2733</u>	
Credit per LI Bedroom	<u>\$3,413.4978</u>	
	<b>Combined 30% &amp; 70% PV Credit Requested</b>	<b>\$781,691</b>

9. **Action:** Provide Attorney’s Opinion (**Mandatory Tab H**)

**T. CASH FLOW**

**1. Revenue**

Indicate the estimated monthly income for the **Low-Income Units** (based on Unit Details tab):

Total Monthly Rental Income for LIHTC Units		\$155,525
Plus Other Income Source (list):	<input type="text"/>	\$7,125
Equals Total Monthly Income:		\$162,650
Twelve Months		x12
Equals Annual Gross Potential Income		\$1,951,800
Less Vacancy Allowance	8.8%	\$171,758
<b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b>		<b>\$1,780,042</b>

**2. Indicate the estimated monthly income for the Market Rate Units** (based on Unit Details tab):

Total Monthly Income for Market Rate Units:		\$0
Plus Other Income Source (list):	<input type="text"/>	\$0
Equals Total Monthly Income:		\$0
Twelve Months		x12
Equals Annual Gross Potential Income		\$0
Less Vacancy Allowance	0.0%	\$0
<b>Equals Annual Effective Gross Income (EGI) - Market Rate Units</b>		<b>\$0</b>

**Action:** Provide documentation in support of Operating Budget (**TAB R**)

**3. Cash Flow (First Year)**

a.	Annual EGI Low-Income Units	\$1,780,042
b.	Annual EGI Market Units	\$0
c.	Total Effective Gross Income	\$1,780,042
d.	Total Expenses	\$928,917
e.	Net Operating Income	\$851,125
f.	Total Annual Debt Service	\$668,903
g.	Cash Flow Available for Distribution	\$182,222

**T. CASH FLOW**

**4. Projections for Financial Feasibility - 15 Year Projections of Cash Flow**

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
<b>Eff. Gross Income</b>	1,780,042	1,815,642	1,851,955	1,888,994	1,926,774
<b>Less Oper. Expenses</b>	928,917	956,785	985,488	1,015,053	1,045,504
<b>Net Income</b>	851,125	858,858	866,467	873,942	881,270
<b>Less Debt Service</b>	668,903	668,903	668,903	668,903	668,903
<b>Cash Flow</b>	182,222	189,955	197,564	205,039	212,367
<b>Debt Coverage Ratio</b>	1.27	1.28	1.30	1.31	1.32

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Eff. Gross Income</b>	1,965,310	2,004,616	2,044,708	2,085,602	2,127,314
<b>Less Oper. Expenses</b>	1,076,869	1,109,175	1,142,451	1,176,724	1,212,026
<b>Net Income</b>	888,440	895,440	902,258	908,878	915,288
<b>Less Debt Service</b>	668,903	668,903	668,903	668,903	668,903
<b>Cash Flow</b>	219,537	226,537	233,355	239,975	246,385
<b>Debt Coverage Ratio</b>	1.33	1.34	1.35	1.36	1.37

	Year 11	Year 12	Year 13	Year 14	Year 15
<b>Eff. Gross Income</b>	2,169,861	2,213,258	2,257,523	2,302,674	2,348,727
<b>Less Oper. Expenses</b>	1,248,387	1,285,838	1,324,414	1,364,146	1,405,070
<b>Net Income</b>	921,474	927,420	933,110	938,528	943,657
<b>Less Debt Service</b>	668,903	668,903	668,903	668,903	668,903
<b>Cash Flow</b>	252,571	258,517	264,207	269,625	274,754
<b>Debt Coverage Ratio</b>	1.38	1.39	1.39	1.40	1.41

Estimated Annual Percentage Increase in Revenue	2.00% (Must be $\leq$ 2%)
Estimated Annual Percentage Increase in Expenses	3.00% (Must be $\geq$ 3%)

**U. Building-by-Building Information**

**Must Complete**

Qualified basis must be determined on a building-by building basis. Complete the section below. Building street addresses are required by the IRS (must have them by the time of allocation request).

Number of BINS: 9

**FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN BUILDING GRID**

Bldg #	BIN if known	NUMBER OF		Street Address 1 Street Address 2 City State Zip				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit					
		TAX CREDIT UNITS	MARKET RATE UNITS					Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount		
				<u>DO NOT use the CUT feature</u>																	
1.		95	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$6,972,667	11/01/22	4.00%	\$278,907	\$5,404,110	11/01/22	4.00%	\$216,164				\$0	
2.		7	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$513,776	11/01/22	4.00%	\$20,551	\$398,198	11/01/22	4.00%	\$15,928				\$0	
3.		7	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$513,776	11/01/22	4.00%	\$20,551	\$398,198	11/01/22	4.00%	\$15,928				\$0	
4.		7	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$513,776	11/01/22	4.00%	\$20,551	\$398,198	11/01/22	4.00%	\$15,928				\$0	
5.		7	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$513,776	11/01/22	4.00%	\$20,551	\$398,198	11/01/22	4.00%	\$15,928				\$0	
6.		7	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$513,776	11/01/22	4.00%	\$20,551	\$398,198	11/01/22	4.00%	\$15,928				\$0	
7.		7	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$513,776	11/01/22	4.00%	\$20,551	\$398,198	11/01/22	4.00%	\$15,928				\$0	
8.		7	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$513,776	11/01/22	4.00%	\$20,551	\$398,198	11/01/22	4.00%	\$15,928				\$0	
9.		6	0	4105 Old Iron Court #6647		Hopewell	VA	23860	\$440,377	11/01/22	4.00%	\$17,615	\$341,311	11/01/22	4.00%	\$13,652				\$0	
10.												\$0				\$0				\$0	
11.												\$0				\$0				\$0	
12.												\$0				\$0				\$0	
13.												\$0				\$0				\$0	
14.												\$0				\$0				\$0	
15.												\$0				\$0				\$0	
16.												\$0				\$0				\$0	
17.												\$0				\$0				\$0	
18.												\$0				\$0				\$0	
19.												\$0				\$0				\$0	
20.												\$0				\$0				\$0	
21.												\$0				\$0				\$0	
22.												\$0				\$0				\$0	
23.												\$0				\$0				\$0	
24.												\$0				\$0				\$0	
25.												\$0				\$0				\$0	
26.												\$0				\$0				\$0	
27.												\$0				\$0				\$0	
28.												\$0				\$0				\$0	
29.												\$0				\$0				\$0	
30.												\$0				\$0				\$0	
31.												\$0				\$0				\$0	
32.												\$0				\$0				\$0	
33.												\$0				\$0				\$0	
34.												\$0				\$0				\$0	
35.												\$0				\$0				\$0	
		150	0																		
Totals from all buildings								\$11,009,476				\$440,379	\$8,532,807			\$0			\$341,312	\$0	

Number of BINS: 9

**V. STATEMENT OF OWNER**

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.
3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.
4. that this application form, provided by Virginia Housing to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of Virginia Housing in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.
5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by Virginia Housing prior to allocation, should one be issued.
6. that the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. that, for the purposes of reviewing this application, Virginia Housing is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.
8. that Virginia Housing may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.
9. that reservations of credits are not transferable without prior written approval by Virginia Housing at its sole discretion.

V. STATEMENT OF OWNER

- 10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or Virginia Housing regulations, or other binding authority.
- 11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
- 12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
- 13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
- 14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
- 15. that undersigned waives the right to pursue a Qualified Contract on this development.
- 16. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, even if tax credits are not allocated to the undersigned.

In Witness Whereof, the undersigned, being authorized, has caused this document to be executed in its name on the date of this application set forth in DEV Info tab hereof.

Legal Name of Owner: ENV - Hopewell Heights, LP

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By: 

Its: W. Daniel Hughes, Jr., Chairman & CEO  
(Title)

**V. STATEMENT OF ARCHITECT**

The architect signing this document is certifying that the development plans and specifications incorporate all Virginia Housing Minimum Design and Construction Requirements (MDCR), selected LIHTC enhancements and amenities, applicable building codes and accessibility requirements.

In Witness Whereof, the undersigned, being authorized, has caused this document to be executed in its name on the date of this application set forth in DEV Info tab hereof.

Legal Name of Architect:	Joseph D. Nelson
Virginia License#:	0401017290
Architecture Firm or Company:	Dyke Nelson Architecture, LLC.

By:   
Its: Managing Member/Architect  
(Title)

Initials by Architect are also required on the following Tabs: Enhancement, Special Housing Needs and Unit Details.

W.

**LIHTC SELF SCORE SHEET**

**Self Scoring Process**

This Self Scoring Process is intended to provide you with an estimate of your application's score based on the information included within the reservation application. Other items, denoted below in the yellow shaded cells, are typically evaluated by Virginia Housing's staff during the application review and feasibility process. For purposes of self scoring, we have made certain assumptions about your application. Edit the appropriate responses (Y or N) in the yellow shaded cells, if applicable. Item 5f requires a numeric value to be entered.

Please remember that this score is only an estimate. Virginia Housing reserves the right to change application data and/or score sheet responses where appropriate, which may change the final score.

**MANDATORY ITEMS:**

- a. Signed, completed application with attached tabs in PDF format
- b. Active Excel copy of application
- c. Partnership agreement
- d. SCC Certification
- e. Previous participation form
- f. Site control document
- g. RESNET Certification
- h. Attorney's opinion
- i. Nonprofit questionnaire (if applicable)
- j. Appraisal
- k. Zoning document
- l. Universal Design Plans
- m. List of LIHTC Developments (Schedule A)

Included		Score
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y, N, N/A	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Total:		<u>0.00</u>

**1. READINESS:**

- a. Virginia Housing notification letter to CEO (via Locality Notification Information App)
- b. Local CEO Opposition Letter
- c. Plan of development
- d. Location in a revitalization area based on Qualified Census Tract
- e. Location in a revitalization area with resolution
- f. Location in a Opportunity Zone

Y	0 or -50	0.00
N	0 or -25	0.00
N	0 or 40	0.00
N	0 or 10	0.00
N	0 or 15	0.00
N	0 or 15	0.00
Total:		<u>0.00</u>

**2. HOUSING NEEDS CHARACTERISTICS:**

- a. Sec 8 or PHA waiting list preference
- b. Existing RD, HUD Section 8 or 236 program
- c. Subsidized funding commitments
- d. Tax abatement on increase of property's value
- e. New project based rental subsidy (HUD or RD)
- f. Census tract with <12% poverty rate
- g. Development listed on the Rural Development Rehab Priority List
- h. Dev. located in area with little or no increase in rent burdened population
- i. Dev. located in area with increasing rent burdened population

N	0 or up to 5	0.00
N	0 or 20	0.00
0.00%	Up to 40	0.00
N	0 or 5	0.00
N	0 or 10	0.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
N	Up to -20	0.00
N	Up to 20	0.00
Total:		<u>0.00</u>

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			36.25
b. Project subsidies/HUD 504 accessibility for 5 or 10% of units	N	0 or 60	0.00
or c. HCV Payment Standard/HUD 504 accessibility for 5 or 10% of units	N	0 or 30	0.00
or d. HUD 504 accessibility for 5% of units	Y	0 or 15	15.00
e. Proximity to public transportation (within Northern VA or Tidewater)	N	0, 10 or 20	0.00
f. Development will be Green Certified	N	0 or 10	0.00
g. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
h. Developments with less than 100 units	N	up to 20	0.00
i. Historic Structure	N	0 or 5	0.00
Total:			<u>51.25</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$89,400	\$62,300

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	12.00%	Up to 15	0.00
c. Units with rent at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units with rents at or below 50% rented to tenants at or below 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			<u>0.00</u>

5. SPONSOR CHARACTERISTICS:

a. Developer experience - 3 developments with 3 x units or 6 developments with 1 x units	Y	0 or 50	50.00
or b. Developer experience - 3 developments and at least 500,000 in liquid assets	N	0 or 50	0.00
or c. Developer experience - 1 development with 1 x units	N	0 or 10	0.00
d. Developer experience - life threatening hazard	N	0 or -50	0.00
e. Developer experience - noncompliance	N	0 or -15	0.00
f. Developer experience - did not build as represented	0	0 or -2x	0.00
g. Developer experience - failure to provide minimum building requirements	N	0 or -20	0.00
h. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
i. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
Total:			<u>50.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 200	145.75
b. Cost per unit		Up to 100	36.31
Total:			<u>182.06</u>

7. BONUS POINTS:

a. Extended compliance	35	Years	40 or 50	50.00
or b. Nonprofit or LHA purchase option	N		0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N		0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N		Up to 45	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N		0 or 10	0.00
Total:			<u>50.00</u>	

425 Point Threshold - all 9% Tax Credits  
 325 Point Threshold - Tax Exempt Bonds

**TOTAL SCORE: 333.31**

**Enhancements:**

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	25	16.25
c. Sub metered water expense	5	5.00
d. Watersense labeled faucets, toilets and showerheads	3	0.00
e. Infrastructure for high speed internet/broadband	1	0.00
f. Free WiFi Access in community room	4	4.00
g. Each unit provided free individual high speed internet access	6	0.00
h. Each unit provided free individual WiFi	8	0.00
i. Bath Fan - Delayed timer or continuous exhaust	3	0.00
j. Baths equipped with humidistat	3	0.00
k. Cooking Surfaces equipped with fire prevention features	4	4.00
l. Cooking surfaces equipped with fire suppression features	2	0.00
m. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
n. Provides Permanently installed dehumidification system	5	0.00
o. All interior doors within units are solid core	3	0.00
p. USB in kitchen, living room and all bedrooms	1	0.00
q. LED Kitchen Light Fixtures	2	2.00
r. Shelf or Ledge at entrance within interior hallway	2	0.00
s. New Construction: Balcony or patio	4	0.00
		<u>36.25</u>
All elderly units have:		
t. Front-control ranges	1	0.00
u. Independent/suppl. heat source	1	0.00
v. Two eye viewers	1	0.00
		<u>0.00</u>
<b>Total amenities:</b>		<u><b>36.25</b></u>

X. Development Summary

Summary Information 2021 Low-Income Housing Tax Credit Application For Reservation

**Deal Name:** Hopewell Heights Apartments

**Cycle Type:** 4% Tax Exempt Bonds Credits **Requested Credit Amount:** \$781,691  
**Allocation Type:** Acquisition/Rehab **Jurisdiction:** Hopewell City  
**Total Units:** 150 **Population Target:** General  
**Total LI Units:** 150  
**Project Gross Sq Ft:** 116,162.00 **Owner Contact:** Wade Wood  
**Green Certified?** FALSE

<b>Total Score</b> 333.31
------------------------------

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$15,453,000	\$103,020	\$133	\$668,903

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$4,488,584	\$29,924	\$39	19.97%
General Req/Overhead/Profit	\$628,401	\$4,189	\$5	2.80%
Other Contract Costs	\$63,000	\$420	\$1	0.28%
Owner Costs	\$3,237,324	\$21,582	\$28	14.40%
Acquisition	\$12,000,000	\$80,000	\$103	53.38%
Developer Fee	\$2,063,385	\$13,756	\$18	9.18%
<b>Total Uses</b>	<b>\$22,480,694</b>	<b>\$149,871</b>		

Total Development Costs	
Total Improvements	\$8,417,309
Land Acquisition	\$12,000,000
Developer Fee	\$2,063,385
<b>Total Development Costs</b>	<b>\$22,480,694</b>

Income	
Gross Potential Income - LI Units	\$1,951,800
Gross Potential Income - Mkt Units	\$0
Subtotal	\$1,951,800
Less Vacancy %	8.80%
<b>Effective Gross Income</b>	<b>\$1,780,042</b>

**Proposed Cost Limit/Sq Ft:** \$90  
**Applicable Cost Limit/Sq Ft:** \$197

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	95
# of 2BR	37
# of 3BR	12
# of 4+ BR	6
<b>Total Units</b>	<b>150</b>

**Rental Assistance?** TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$254,490	\$1,697
Utilities	\$108,852	\$726
Operating & Maintenance	\$290,675	\$1,938
Taxes & Insurance	\$222,400	\$1,483
<b>Total Operating Expenses</b>	<b>\$876,417</b>	<b>\$5,843</b>
Replacement Reserves	\$52,500	\$350
<b>Total Expenses</b>	<b>\$928,917</b>	<b>\$6,193</b>

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	150	150
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$1,780,042
Total Expenses	\$928,917
<b>Net Income</b>	<b>\$851,125</b>
Debt Service	\$668,903
<b>Debt Coverage Ratio (YR1):</b>	<b>1.27</b>

**Income Averaging?** FALSE

**Extended Use Restriction?** 50

## 2021 Low-Income Housing Tax Credit Application For Reservation

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Virginia Housing is running a BETA test of new EUR calculations that will be considered for implementation in 2022. These points are only a test and will not be used for scoring purposes in 2021. Please contact [taxcreditapps@virginiahousing.com](mailto:taxcreditapps@virginiahousing.com) with questions or comments.

### Credit Points:

If the Combined Max Allowable is \$500,000 and the annual credit requested is \$200,000, you are providing a 60% savings for the program. This deal would receive all 200 credit points.

For another example, the annual credit requested is \$300,000 or a 40% savings for the program. Using a sliding scale, the credit points would be calculated by the difference between your savings and the desired 60% savings. Your savings divided by the goal of 60% times the max points of 200. In this example,  $(40\%/60\%) \times 200$  or 133.33 points.

<b>Using Current E-U-R method (up to 200)</b>		145.75
<b>Using proposed method:</b>		
Combined Max	\$781,691	
Credit Requested	\$781,691	
% of Savings	0.00%	
Sliding Scale Points		0
<i>Difference</i>		-145.75

### Cost Points:

If the Applicable Cost by Square foot is \$238 and the deal's Proposed Cost by Square Foot was \$119, you are saving 50% of the applicable cost. This deal would receive all 100 credit points.

For another example, the Applicable Cost by SqFt is \$238 and the deal's Proposed Cost is \$153.04 or a savings of 35.70%. Using a sliding scale, your points would be calculated by the difference between your savings and the desired 50% savings. Your savings divided by the goal of 50% times the max points 100. In this example,  $(35.7\%/50\%) \times 100$  or 71.40 points.

<b>Using Current E-U-R method (up to 100)</b>		36.31
<b>Using proposed method:</b>		
Total Costs Less Acquisition	\$10,480,694	
Total Square Feet	116,162.00	
Proposed Cost per SqFt	\$90.22	
Applicable Cost Limit per Sq Ft	\$197.00	
% of Savings	54.20%	
Sliding Scale Points		100.00
<i>Difference</i>		63.69

\$/SF = **\$174.35** Credits/SF = **6.71256** Const \$/unit = **\$34,533.2333**

TYPE OF PROJECT GENERAL = 11000; ELDERLY = 12000  
 LOCATION Inner-NVA=100; Outer-NV=200; NWNC=300; Rich=400; Tid=500; Balance=600  
 TYPE OF CONSTRUCTION N C=1; ADPT=2; REHAB(35,000+)=3; REHAB (15,000-35,000)=4

**11000**  
**400**  
**4**

\*REHABS LOCATED IN BELTWAY (\$15,000-\$50,000) See Below

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	606.00	1,004.00
NUMBER OF UNITS	0	0	0	0	0	95	5
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	215,025	224,175
PARAMETER-(COSTS<35,000)	0	0	0	0	0	69,619	72,581
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	215,025	224,175
PARAMETER-(COSTS<50,000)	0	0	0	0	0	69,619	72,581
COST PARAMETER	0	0	0	0	0	220,244	229,617
PROJECT COST PER UNIT	0	0	0	0	0	105,654	175,044
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	19,388	20,213
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	5,539	5,775
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	19,388	20,213
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	5,539	5,775
CREDIT PARAMETER	0	0	0	0	0	19,908	20,755
PROJECT CREDIT PER UNIT	0	0	0	0	0	4,068	6,739
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	32.95	0.79
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	100.78	4.50

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR-TH
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	930.00	1,240.00	1,530.00
NUMBER OF UNITS	0	0	0	0	0	32	12	6
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	183,000	215,025	224,175
PARAMETER-(COSTS<35,000)	0	0	0	0	0	59,250	69,619	72,581
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	183,000	215,025	224,175
PARAMETER-(COSTS<50,000)	0	0	0	0	0	59,250	69,619	72,581
COST PARAMETER	0	0	0	0	0	187,442	220,244	229,617
PROJECT COST PER UNIT	0	0	0	0	0	162,142	216,189	267,000
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	16,500	19,388	20,213
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	4,714	5,539	5,775
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	16,500	19,388	20,213
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	4,714	5,539	5,775
CREDIT PARAMETER	0	0	0	0	0	16,942	19,908	20,755
PROJECT CREDIT PER UNIT	0	0	0	0	0	6,243	8,324	10,300
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	2.88	0.15	-0.10
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	26.95	9.31	4.10

TOTAL COST PER UNIT POINTS **36.10**

TOTAL CREDIT PER UNIT POINTS **145.57**

**Cost Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	0	0	0	211,631	220,637
Parameter Adjustment - mid rise	0	0	0	0	0	8,613	8,979
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>220,244</b>	<b>229,617</b>

**Credit Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	0	0	0	19,065	19,876
Parameter Adjustment - mid rise	0	0	0	0	0	843	879
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,908</b>	<b>20,755</b>

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Parameter - low rise	0	0	0	0	0	180,112	211,631	220,
Parameter Adjustment - mid rise	0	0	0	0	0	7,330	8,613	8,9
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>187,442</b>	<b>220,244</b>	<b>229,</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Credit Parameter - low rise	0	0	0	0	0	16,225	19,065	19,1
Parameter Adjustment - mid rise	0	0	0	0	0	717	843	8;
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,942</b>	<b>19,908</b>	<b>20,</b>

**Northern Virginia Beltway** (Rehab costs \$15,000-\$50,000)

**Cost Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	0	0	0	150,769	157,184
Parameter Adjustment - mid rise	0	0	0	0	0	6,136	6,397
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>156,905</b>	<b>163,582</b>

**Credit Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	0	0	0	13,268	13,833
Parameter Adjustment - mid rise	0	0	0	0	0	587	612
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,855</b>	<b>14,444</b>

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	0	0	0	0	128,314	150,769	157,
Parameter Adjustment - mid rise	0	0	0	0	0	5,222	6,136	6,3
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>133,536</b>	<b>156,905</b>	<b>163,</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	0	0	0	0	11,292	13,268	13,1
Parameter Adjustment - mid rise	0	0	0	0	0	499	587	61
Parameter Adjustment - high rise	0	0	0	0	0	0	0	(
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,791</b>	<b>13,855</b>	<b>14,</b>

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\$/SF = **\$174.35** Credits/SF = **6.71256** Const \$/unit = **\$34,533.23**

TYPE OF PROJECT: GENERAL = 11000; ELDERLY = 12000  
 LOCATION: Inner-NVA=100; Outer-NV=200; NWNC=300; Rich=400; Tid=500; Balance=600  
 TYPE OF CONSTRUCTION: N C=1; ADPT=2; REHAB(35,000+)=3; REHAB\*(10,000-35,000)=4

**11000**  
**400**  
**4**

\*REHABS LOCATED IN BELTWAY (\$10,000-\$50,000) See Below

	GENERAL		Elderly				
	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	606.00	1,004.00
NUMBER OF UNITS	0	0	0	0	0	95	5
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	215,025	224,175
PARAMETER-(COSTS<35,000)	0	0	0	0	0	69,619	72,581
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	215,025	224,175
PARAMETER-(COSTS<50,000)	0	0	0	0	0	69,619	72,581
COST PARAMETER	0	0	0	0	0	220,951	230,353
PROJECT COST PER UNIT	0	0	0	0	0	105,654	175,044
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	19,388	20,213
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	5,539	5,775
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	19,388	20,213
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	5,539	5,775
CREDIT PARAMETER	0	0	0	0	0	19,975	20,825
PROJECT CREDIT PER UNIT	0	0	0	0	0	4,068	6,739
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	33.05	0.80
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	100.87	4.51

	GENERAL							
	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BR
AVG UNIT SIZE	0.00	0.00	0.00	0.00	0.00	930.00	1,240.00	1,530.00
NUMBER OF UNITS	0	0	0	0	0	32	12	6
PARAMETER-(COSTS=>35,000)	0	0	0	0	0	183,000	215,025	224,175
PARAMETER-(COSTS<35,000)	0	0	0	0	0	59,250	69,619	72,581
PARAMETER-(COSTS=>50,000)	0	0	0	0	0	183,000	215,025	224,175
PARAMETER-(COSTS<50,000)	0	0	0	0	0	59,250	69,619	72,581
COST PARAMETER	0	0	0	0	0	188,043	220,951	230,353
PROJECT COST PER UNIT	0	0	0	0	0	162,142	216,189	267,000
PARAMETER-(CREDITS=>35,000)	0	0	0	0	0	16,500	19,388	20,213
PARAMETER-(CREDITS<35,000)	0	0	0	0	0	4,714	5,539	5,775
PARAMETER-(CREDITS=>50,000)	0	0	0	0	0	16,500	19,388	20,213
PARAMETER-(CREDITS<50,000)	0	0	0	0	0	4,714	5,539	5,775
CREDIT PARAMETER	0	0	0	0	0	17,000	19,975	20,825
PROJECT CREDIT PER UNIT	0	0	0	0	0	6,243	8,324	10,000
COST PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	2.94	0.17	-0.00
CREDIT PER UNIT POINTS	0.00	0.00	0.00	0.00	0.00	27.00	9.33	4.40

TOTAL COST PER UNIT POINTS **36.31**

TOTAL CREDIT PER UNIT POINTS **145.75**

**Cost Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	0	0	0	212,310	221,345
Parameter Adjustment - mid rise	0	0	0	0	0	8,641	9,008
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>220,951</b>	<b>230,353</b>

**Credit Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Credit Parameter - low rise	0	0	0	0	0	19,129	19,943
Parameter Adjustment - mid rise	0	0	0	0	0	846	882
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,975</b>	<b>20,825</b>

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Parameter - low rise	0	0	0	0	0	180,690	212,310	221,345
Parameter Adjustment - mid rise	0	0	0	0	0	7,354	8,641	9,008
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>188,043</b>	<b>220,951</b>	<b>230,353</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Credit Parameter - low rise	0	0	0	0	0	16,280	19,129	19,943
Parameter Adjustment - mid rise	0	0	0	0	0	720	846	882
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Credit Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,000</b>	<b>19,975</b>	<b>20,825</b>

**Northern Virginia Beltway** (Rehab costs \$10,000-\$50,000)

**Cost Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	0	0	0	158,801	165,558
Parameter Adjustment - mid rise	0	0	0	0	0	6,463	6,738
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>165,264</b>	<b>172,296</b>

**Credit Parameters - Elderly**

	Supportive Hsg	EFF-E	1 BR-E	2 BR-E	EFF-E-1 ST	1 BR-E-1 ST	2 BR-E-1 ST
Standard Cost Parameter - low rise	0	0	0	0	0	14,033	14,630
Parameter Adjustment - mid rise	0	0	0	0	0	620	647
Parameter Adjustment - high rise	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,653</b>	<b>15,277</b>

**Cost Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	0	0	0	0	135,150	158,801	165,558
Parameter Adjustment - mid rise	0	0	0	0	0	5,500	6,463	6,738
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>140,650</b>	<b>165,264</b>	<b>172,296</b>

**Credit Parameters - General**

	EFF-G	1 BR-G	2 BR-G	3 BR-G	4 BR-G	2 BR-TH	3 BR-TH	4 BF
Standard Cost Parameter - low rise	0	0	0	0	0	11,943	14,033	14,630
Parameter Adjustment - mid rise	0	0	0	0	0	528	620	647
Parameter Adjustment - high rise	0	0	0	0	0	0	0	0
<b>Adjusted Cost Parameter</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,471</b>	<b>14,653</b>	<b>15,277</b>

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# Partnership or Operating Agreement

Including **chart of ownership structure with percentage of interests** and **draft developer fee agreement**  
(MANDATORY)

**AGREEMENT OF LIMITED PARTNERSHIP  
OF  
ENV - HOPEWELL HEIGHTS, LP**

THIS AGREEMENT OF LIMITED PARTNERSHIP (this “Agreement”) is made as of July 20, 2020, by and among ENV – Hopewell Heights GP, LLC, a Virginia limited liability company (“General Partner”), LRC SLP, LLC, a Delaware limited liability company (“LRC SLP”), LRC GP Interest, Inc., a Delaware corporation (“LRC GP Interest”), and LRC Owned, LLC, a Delaware limited liability company (“LRC Owned” and together with LRC SLP and LRC GP Interest, “Limited Partner”), in accordance with the provisions of the Virginia Revised Uniform Limited Partnership Act, Title 50, Chapter 2.1 of the Code of Virginia.

RECITALS:

WHEREAS, the Partnership was formed by General Partner pursuant to a Certificate of Limited Partnership filed with the Virginia State Corporation Commission (“VA SCC”) on July 20, 2020; and

WHEREAS, the parties hereto desire to enter into this Agreement pursuant to the terms hereof.

NOW, THEREFORE, the parties hereto hereby agree to as follows:

- I. **Name.** ENV - Hopewell Heights, LP.
- II. **Business.** The business of the Partnership is to acquire, construct, develop, improve, invest in, hold, lease, maintain, operate and otherwise deal with that certain multi-family affordable housing development located in the City of Hopewell, Virginia, commonly known as Hopewell Heights (the “Project”).
- III. **Principal Office.** The address of the principal office of the Partnership, where records required to be maintained by Section 50-73.8 of the Act are to be kept, is at 105 Tallapoosa Street, Suite 300, Montgomery, Alabama 36104. The Partnership’s registered agent for purposes of the Act is Corporation Service Company having a business address of Bank of America Center, 1111 East Main Street, Richmond, Virginia 23219. The sole duty of the registered agent is to forward to the Partnership any notice that is served on it as registered agent.
- IV. **Partners.** The name and the business address of the General Partner and Limited Partners, and the percentages of ownership and cash flow in the Partnership by each such Partner, are as follows:

**General Partner:**

<u>Name</u>	<u>Address</u>	Percentage of Ownership
ENV – Hopewell Heights GP, LLC	105 Tallapoosa Street Suite 300 Montgomery, AL 36104	0.01%

**Limited Partners:**

LRC SLP, LLC	105 Tallapoosa Street Suite 300 Montgomery, AL 36104	0.01%
LRC GP Interest, Inc.	105 Tallapoosa Street Suite 300 Montgomery, AL 36104	0.01%
LRC Owned, LLC	105 Tallapoosa Street Suite 300 Montgomery, AL 36104	99.97%

V. **Term, Dissolution and Winding Up.** The Partnership shall continue in perpetuity, except that the Partnership shall be dissolved, and its affairs wound up, prior to such date upon the happening of any of the following:

- A. The sale or other disposition of all or substantially all the assets of the Partnership, or
- B. The retirement (which term includes the death, dissolution, adjudication of insanity or incompetence, bankruptcy or withdrawal for any reason) of a General Partner, unless the remaining General Partner(s) or Limited Partners elect to continue the business of the Partnership pursuant to Paragraph XIII hereof, or
- C. The retirement of a General Partner if no General Partner remains, or
- D. The decision of all the General Partners to terminate the Partnership.

VI. **Capital Contributions - Capital Accounts.** Each Partner has made capital contributions to the Partnership. A capital account shall be maintained for each Partner and such account shall be adjusted for each Partner's share of all items of profit and loss and distributions

and each Partner's contributions to the Partnership.

VII. **Additional Contributions.** No Limited Partner has agreed to make any additional capital contribution. Except to the extent required by law, no General Partner shall be required to make any additional capital contribution.

VIII. **Returns.** No time has been agreed upon for the return of the contributions of the Limited Partner.

IX. **Profits.** All profits, losses and distributions (including profits and proceeds from the sale or disposition of all or substantially all Partnership assets and all proceeds from a refinancing) shall be shared by the Partners in the ratio which the capital contributions of each Partner bear to the aggregate capital contributions of all the Partners. If the Partnership assets are distributed in kind to the Partners upon the dissolution and liquidation of the Partnership, the capital accounts of the Partners shall be adjusted to reflect their share of all unrecognized gains and losses and the assets shall be distributed based on the fair market value of such assets.

X. **Assignments.** In no event shall all or any part of a Limited Partner's interest in the Partnership be assigned or transferred to a minor or incompetent, and such attempted assignment shall be void and ineffectual and shall not bind the Partnership.

No Limited Partner shall have the right to substitute an assignee as a Limited Partner in its place. The General Partner shall, however, have the right to permit any such assignee to become a Substitute Limited Partner and any such permission by the General Partner shall be binding and conclusive without the consent or approval of any Limited Partners. Any such Substitute Limited Partner shall, as a condition of receiving any interest in the Partnership property, agree to be bound by the terms of any financial agreements and other documents required in connection with applicable mortgage financing to the same extent and on the same terms as the other Limited Partners. Any such Substitute Limited Partner shall also execute, acknowledge and deliver an instrument to the General Partner signifying his agreement to be bound by all the provisions of this Agreement, as last amended, and shall accept such other terms as the General Partner in its exclusive discretion may determine as a condition to permitting such substitution.

In the event of the death or incapacity of a Limited Partner, his legal representatives shall have the same status as an assignee of the Limited Partner unless and until the General Partner shall permit such legal representatives to become a Substitute Limited Partner on the same terms and conditions as herein provided for assignees generally. The death of a Limited Partner shall not dissolve the Partnership.

An assignee of a Limited Partner who does not become a Substitute Limited Partner as provided above shall have the right to receive the same share of profits, losses and distributions of the Partnership to which the assigning Limited Partner would have been entitled if no such assignment had been made by such Limited Partner.

If any assignment of the interest of a Limited Partner shall be made, there shall be filed with the Partnership a duly executed and acknowledged counterpart of the instrument making such assignment, and such instrument must evidence the written acceptance of the assignee to all the terms and provisions of this Agreement and if such an instrument is not so filed, the Partnership need not recognize any such assignment for any purpose hereunder.

XI. **Additional Limited Partners.** The General Partner is authorized at any time and from time to time, to admit to the Partnership additional Limited Partners upon each such additional Limited Partner's making, or agreeing to make, such contributions to the capital of the Partnership as the General Partner shall determine.

XII. **Priorities.** No Limited Partner has any right of priority over any other Limited Partner, as to contributions or as to compensation by way of income.

XIII. **Continuation.** Upon the death, dissolution, incapacity, bankruptcy, or withdrawal from the Partnership of a General Partner, any remaining or surviving General Partner or Limited Partners may elect to continue the business of the Partnership.

XIV. **Demands for Property.** A Limited Partner has no right to demand and receive property in return for its capital contribution.

XV. **Additional Provisions.**

A. Management and control of the business and affairs of the Partnership shall be vested in ENV – Hopewell Heights GP, LLC, as the sole General Partner, and except as otherwise expressly provided herein, no Limited Partner shall have or exercise any rights in connection with the management of such business. The General Partner shall devote to the conduct of the business of the Partnership so much of its time as may be reasonably necessary to efficient operations, but it shall not be precluded from conducting other businesses as well, even if they compete with the Partnership.

B. General Partner is specifically authorized to execute such documents as it deems necessary in connection with the acquisition, development and financing of Partnership property, including without limiting the generality hereof, any note, mortgage, loan and regulatory agreements and any other documents which may be required in connection with the acquisition of the Partnership property or the financing and development thereof; and the Partnership is specifically authorized to execute such documents as it deems necessary in connection with all documents and actions necessary to qualify for, and apply to Virginia Housing (f/k/a Virginia Housing Development Authority) for financing and an allocation of low income housing tax credits for the Project (as defined below) under Section 42 of the Internal Revenue Code of 1986, as amended.

C. The Partnership is hereby authorized to borrow, by a mortgage loan from

any lender, whatever amounts may be required for the acquisition of the Property, the development thereon of improvements constituting the Project, and the operation of the Project. Any such mortgage loan shall provide that neither the Partnership nor any Partner shall have any personal liability for the repayment of all or any part of such mortgage loan after the completion of the Project.

D. Except as provided in Paragraph XV. C. hereof, the General Partner shall be bound by the terms of any mortgage note, mortgage, loan agreement and regulatory agreement and any other documents required in connection with the financing of the acquisition of the Property and the development of the Project thereon. Any incoming General Partner shall as a condition of receiving any interest in the Partnership property agree to be bound by the terms of such instruments and documents to the same extent and on the same terms as the other General Partners. Upon any dissolution of the Partnership, or any transfer of the Property subject to any applicable mortgage, no title or right to the possession and control of the Property and no right to collect the rents therefrom shall pass to any person or entity who is not, or does not become, bound by any regulatory or other agreement applicable to the Partnership or the Property in a manner satisfactory to the regulating agency or authority. In the event of any inconsistency between the provisions of this Agreement and any applicable regulatory agreement, the provisions of such regulatory agreement shall prevail.

E. Each General Partner and each Limited Partner (including a Substitute or additional General Partner or Limited Partner) hereby irrevocably constitutes, and empowers to act alone, the General Partner, as attorney-in-fact for such General Partner and such Limited Partner, with full power of substitution, with authority to execute, acknowledge and swear to all instruments, and file all documents, requisite to carrying out the intention and purpose of this Agreement, including, without limitation, all business certificates and necessary Certificates of Limited Partnership and amendments thereto from time to time in accordance with all applicable laws. The foregoing appointment shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Partners under this Agreement will be relying upon the power of the General Partner to act as contemplated by this Agreement in such filing and other action on behalf of the Partnership and the Partners. The foregoing power of attorney shall survive the assignment by any partner of the whole or any part of his or its interest hereunder or the retirement of any appointing General Partner.

F. This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto. This Agreement may not be changed except in a writing signed by the person(s) against whose interest such change shall operate. If any clause or provision hereof shall be deemed unlawful or unenforceable, in whole or in part, then such clause or provision shall have no force or effect as though not herein contained and the remainder of this Agreement shall remain operative and in full force and effect.

[Signature Pages Follow]

**SIGNATURE PAGE TO  
AGREEMENT OF LIMITED PARTNERSHIP OF  
ENV - HOPEWELL HEIGHTS, LP**

IN WITNESS WHEREOF, the parties hereto have affixed their signatures and seals to this Agreement of Limited Partnership effective as of date stated above.

**GENERAL PARTNER:**

ENV – Hopewell Heights GP, LLC,  
a Virginia limited liability company

By: LRC GP, LLC,  
a Delaware limited liability company,  
its sole member

By: Envolve Communities, LLC  
a Delaware limited liability company,  
its sole member

By:  (SEAL)  
W. Daniel Hughes, Jr.,  
Chairman of the Board

**AGREEMENT OF LIMITED PARTNERSHIP OF  
ENV - HOPEWELL HEIGHTS, LP**

IN WITNESS WHEREOF, the parties hereto have affixed their signatures and seals to this Agreement of Limited Partnership effective as of date stated above.

**LIMITED PARTNERS:**

LRC Owned, LLC,  
a Delaware limited liability company

By: Envolve Communities, LLC  
a Delaware limited liability company,  
its sole member

By:   
\_\_\_\_\_ (SEAL)  
W. Daniel Hughes, Jr.,  
Chairman of the Board

LRC SLP, LLC,  
a Delaware limited liability company

By: Envolve Community Management, LLC  
an Alabama limited liability company,  
its sole member

By:   
\_\_\_\_\_ (SEAL)  
W. Daniel Hughes, Jr.,  
Chairman of the Board

LRC GP Interest, Inc.,  
a Delaware corporation

By:   
\_\_\_\_\_ (SEAL)  
W. Daniel Hughes, Jr.,  
President

**OPERATING AGREEMENT  
OF  
ENV - HOPEWELL HEIGHTS GP, LLC**

This Operating Agreement (this “Agreement”) of ENV - Hopewell Heights GP, LLC, a Virginia limited liability company (the “Company”) is adopted and entered into as of July 20, 2020 by LRC GP, LLC, a Delaware limited liability company, as the sole member (the “Member,” which term includes any other persons who may become members of the Company in accordance with the terms of this Agreement and the Act) and the Company pursuant to and in accordance with the Virginia Limited Liability Company Act, as amended from time to time (the “Act”). Terms used in this Agreement which are not otherwise defined shall have the respective meanings given those terms in the Act.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this Agreement, the parties agree as follows:

**ARTICLE ONE  
NAME**

The name of the limited liability company is: ENV - Hopewell Heights GP, LLC.

**ARTICLE TWO  
TERM**

The period of duration for the Company is perpetual, unless the Members unanimously agree in writing to limit the duration of the Company.

**ARTICLE THREE  
MANAGEMENT**

Management of the Company is vested in its sole Member, which will manage the Company in accordance with the Act as Member-Manager. Any Member-Manager exercising management powers or responsibilities will be deemed to be a manager for purposes of applying the provisions of the Act, unless the context otherwise requires, and that Member-Manager will have and be subject to all of the duties and liabilities of a Manager provided in the Act. The Member-Manager will have the power to do any and all acts necessary or convenient to or for the furtherance of the purposes of the Company set forth in this Agreement, including all powers of Members under the Act.

**ARTICLE FOUR  
PURPOSES**

The purpose of the Company is to acquire the general partnership interest in ENV – Hopewell Heights, LP, a Virginia limited partnership, which will own and operate that certain multifamily apartment complex in the City of Hopewell, Virginia, known as Hopewell Heights.

**ARTICLE FIVE  
MEMBER**

The name and the business, residence or mailing address of the Members are as follows:

<u>Name</u>	<u>Address</u>
LRC GP, LLC	105 Tallapoosa Street, Suite 300 Montgomery, Alabama 36104

**ARTICLE SIX  
CAPITAL CONTRIBUTIONS**

The Members have contributed to the Company the following amounts, in the form of cash, property or services rendered, or a promissory note or other obligations to contribute cash or property or to render services:

<u>Member</u>	<u>Amount of Initial Capital Contribution</u>	<u>Percentage</u>
LRC GP, LLC	\$1,000.00	100%

**ARTICLE SEVEN  
ADDITIONAL CONTRIBUTIONS**

No Member is required to make any additional capital contribution to the Company.

**ARTICLE EIGHT  
ALLOCATION OF PROFITS AND LOSSES**

The Company's profits and losses will be allocated in proportion to the value of the capital contributions of the Members.

**ARTICLE NINE  
DISTRIBUTIONS**

Distributions shall be made to the Members at the times and in the aggregate amounts determined by the Members. Such distributions shall be allocated among the Members in the same proportion as their then capital account balances.

**ARTICLE TEN  
WITHDRAWAL OF MEMBER**

A Member may withdraw from the Company in accordance with the Act.

**ARTICLE ELEVEN  
ADMISSION OF ADDITIONAL MEMBERS**

One or more additional Members of the Company may be admitted to the Company with the vote or written consent of a majority in interest of the Members based upon the capital contributions of the Members.

**ARTICLE TWELVE  
LIABILITY OF MEMBERS**

The Members do not have any liability for the obligations or liabilities of the Company, except to the extent provided in the Act.

**ARTICLE THIRTEEN  
EXCULPATION OF MEMBER-MANAGERS**

A Member exercising management powers or responsibilities for or on behalf of the Company will not have personal liability to the Company or its Members for damages for any breach of duty in that capacity, provided that nothing in this Article shall eliminate or limit (i) the liability of any Member-Manager if a judgment or other final adjudication adverse to it establishes that its acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or that it personally gained in fact a financial profit or other advantage to which it was not legally entitled, or that, with respect to a distribution to Members, its acts were not performed in accordance with the Act, or (ii) the liability of any Member-Manager for any act or omission prior to the date of first inclusion of this paragraph in this Agreement.

**ARTICLE FOURTEEN  
GOVERNING LAW**

This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia, all rights and remedies being governed by those laws.

**ARTICLE FIFTEEN  
INDEMNIFICATION**

To the fullest extent permitted by law, the Company shall indemnify and hold harmless, and may advance expenses to, any Member, manager or other person, or any personal representative of such Member, manager or other person (collectively, the "Indemnitees"), from and against any and all claims and demands whatsoever, provided, however, that no indemnification may be made to or on behalf of any Indemnitee if a judgment or other final adjudication adverse to such Indemnitee establishes: (i) that its acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or (ii) that it personally gained in fact a financial profit or other advantage to which it was not legally entitled. The provisions of this section shall continue to afford protection to each Indemnitee regardless of whether it remains a Member, manager, employee or agent of the Company.

**ARTICLE SIXTEEN  
TAX MATTERS**

The Member of the Company and the Company intend that the Company be treated as a sole proprietorship for all income tax purposes, and it will file all necessary and appropriate forms in furtherance of that position.

IN WITNESS, the parties have executed this Agreement the day and year first above written.

**SOLE MEMBER:**

**LRC GP, LLC,**  
a Delaware limited liability company,  
its Sole Member

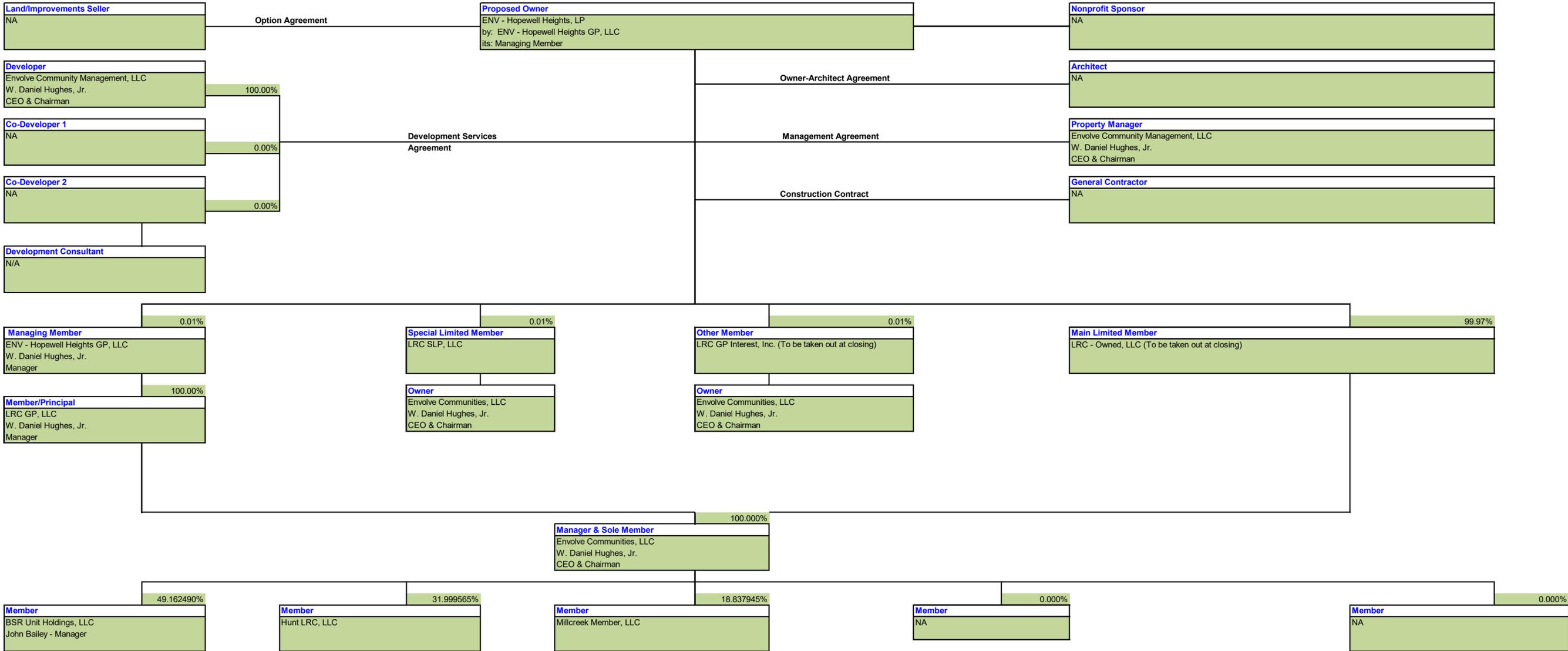
By: Envolve Communities, LLC,  
a Delaware limited liability company,  
its Sole Member



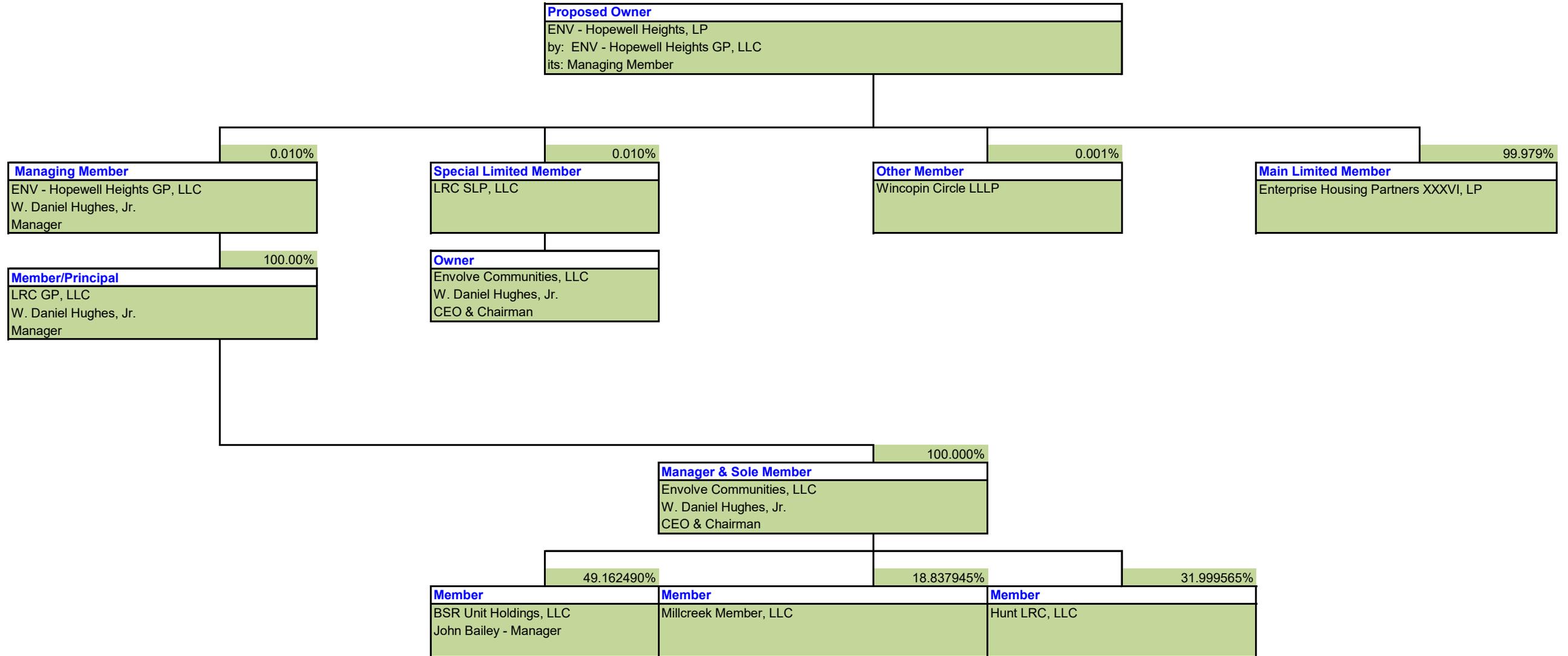
---

By: W. Daniel Hughes, Jr.  
Its: Chairman of the Board

Organizational Chart Acquisition



**Organizational Chart Post Closing**



B

Virginia State Corporation  
Commission Certification  
(MANDATORY)



**COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION**

**Office of the Clerk**

July 20, 2020

Lisa M Conner  
WILLIAMS MULLEN CLARK & DOBBINS PC  
200 SOUTH 10TH ST, STE 1600  
Richmond, VA, 23219

**RECEIPT**

RE: ENV - Hopewell Heights, LP  
ID: 11081037  
FILING NO: 200720877331  
WORK ORDER NO: 202007200796573

Dear Customer:

This is your receipt for \$100.00 to cover the fee for filing a certificate of limited partnership with this office.

The effective date of the certificate is July 20, 2020.

If you have any questions, please call (804) 371-9733 or toll-free in Virginia, (866) 722-2551.

Sincerely,

Bernard J. Logan  
Interim Clerk of the Commission

Delivery Method: Email

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

Richmond, July 20, 2020

This is to certify that the certificate of limited partnership of

### **ENV - Hopewell Heights, LP**

was this day admitted to record in this office and that the said limited partnership is authorized to transact its business subject to all Virginia laws applicable to the limited partnership and its business.

Effective date: July 20, 2020



STATE CORPORATION COMMISSION

Attest:

A handwritten signature in cursive script, appearing to read "Bernard J. St. John".

Interim Clerk of the Commission

## Limited Partnership - Certificate of Limited Partnership

### Entity Information

Entity Name: ENV - Hopewell Heights, LP Entity Type: Limited Partnership  
LLP Status: No

### Business Type

Industry Code: 0 - General

### Duration

Perpetual(forever)

### Registered Agent Information

RA Type: Entity Locality: RICHMOND CITY  
RA Qualification: N/A  
Name: CORPORATION SERVICE COMPANY Email Address: N/A

The limited partnership's initial registered office address, including the street and number, if any, which is identical to the business office of the initial registered agent, is:

Registered Office Address: 100 Shockoe Slip Fl 2,  
Richmond, VA, 23219 -  
4100, USA Contact Number: N/A

### Principal Office Address

Address: 105 Tallapoosa St Ste 300, Montgomery, AL, 36104 - 2655, USA

### Principal Information

Name	Name	Address	Jurisdiction
	ENV - Hopewell Heights GP, LLC	105 Tallapoosa St Ste 300, Montgomery, AL, 36104 - 2655, USA	VA

### Signature Information

Date Signed: 07/20/2020

Printed Name	Signature	Title
Allison T. Domson	Allison T. Domson	Organizer



**COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION**

**Office of the Clerk**

July 20, 2020

Lisa M Conner  
WILLIAMS MULLEN CLARK & DOBBINS PC  
200 SOUTH 10TH ST, STE 1600  
Richmond, VA, 23219

**RECEIPT**

RE: ENV - Hopewell Heights GP, LLC  
ID: 11081020  
FILING NO: 200720877270  
WORK ORDER NO: 202007200796491

Dear Customer:

This is your receipt for \$100.00 to cover the fee for filing articles of organization for a limited liability company with this office.

The effective date of the certificate of organization is July 20, 2020.

If you have any questions, please call (804) 371-9733 or toll-free in Virginia, (866) 722-2551.

Sincerely,

Bernard J. Logan  
Interim Clerk of the Commission

Delivery Method: Email

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

Richmond, July 20, 2020

This is to certify that the certificate of organization of

### **ENV - Hopewell Heights GP, LLC**

was this day issued and admitted to record in this office and that the said limited liability company is authorized to transact its business subject to all Virginia laws applicable to the company and its business.

Effective date: July 20, 2020



STATE CORPORATION COMMISSION

Attest:

A handwritten signature in cursive script, appearing to read "Bernard J. St. John".

Interim Clerk of the Commission

**COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION**

AT RICHMOND, JULY 20, 2020

The State Corporation Commission has found the accompanying articles of organization submitted on behalf of

ENV - Hopewell Heights GP, LLC

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

**CERTIFICATE OF ORGANIZATION**

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective July 20, 2020.

The limited liability company is granted the authority conferred on it by law in accordance with the articles of organization, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By 

Mark C. Christie  
Commissioner

## Limited Liability Company - Articles of Organization

### Entity Information

Entity Name: ENV - Hopewell Heights GP, LLC Entity Type: Limited Liability Company

### Business Type

Industry Code: 0 - General

### Duration

Perpetual(forever)

### Registered Agent Information

RA Type: Entity

Locality: RICHMOND CITY

RA Qualification: N/A

Name: CORPORATION SERVICE  
COMPANY

Email Address: N/A

The company's initial registered office address, including the street and number, if any, which is identical to the business office of the initial registered agent, is:

Registered Office Address: 100 Shockoe Slip Fl 2,  
Richmond, VA, 23219 -  
4100, USA

Contact Number: N/A

### Principal Office Address

Address: 105 Tallapoosa St Ste 300, Montgomery, AL, 36104 - 2655, USA

### Principal Information

Management Structure: N/A

### Signature Information

Date Signed: 07/20/2020

Executed in the name of the limited liability company by:

Printed Name	Signature	Title
Allison T. Domson	Allison T. Domson	Organizer

C

Principal's Previous  
Participation Certification  
(MANDATORY)



## Previous Participation Certification Instructions

### General Instructions:

The following certification:

- Must be completed, regardless of any principal's inclusion on the Developer Experience List.
- Must be signed by an individual who is, or is authorized to act on behalf of, the Controlling General Partner (if LP) or Managing Member (if LLC) of the Applicant, as designated in the partnership agreement. VHDA will accept an authorization document, which gives signatory authorization to sign on behalf of the principals.
- Must be dated no more than 30 days prior to submission of the LIHTC Application.

### Definitions:

*Development* - the proposed multifamily rental housing development

*Participants* - the principals who will participate in the ownership of the development

*Principal* - any person (including any individual, joint venture, partnership, limited liability company, corporation, nonprofit organization, trust, or any other public or private entity) that (i) with respect to the proposed development, will own or participate in the ownership of the proposed development or (ii) with respect to an existing multifamily rental property, has owned or participated in the ownership of such property, all as more fully described herein below. The person who is the owner of the proposed development or multifamily rental property is considered a principal. In determining whether any other person is a principal, the following guidelines shall govern:

- In the case of a partnership which is a principal (whether as the owner or otherwise), all general partners are also considered principals, regardless of the percentage interest of the general partner;
- In the case of a public or private corporation or organization or governmental entity that is a principal (whether as the owner or otherwise), principals also include the president, vice president, secretary, and treasurer and other officers who are directly responsible to the board of directors or any equivalent governing body, as well as all directors or other members of the governing body and any stockholder having a 25% or more interest;
- In the case of a limited liability company (LLC) that is a principal (whether as the owner or otherwise), all members are also considered principals, regardless of the percentage interest of the member;
- In the case of a trust that is a principal (whether as the owner or otherwise), all persons having a 25% or more beneficial ownership interest in the assets of such trust;
- In the case of any other person that is a principal (whether as the owner or otherwise), all persons having a 25% or more ownership interest in such other person are also considered principals; and

## Instructions, cont'd

- Any person that directly or indirectly controls, or has the power to control, a principal shall also be considered a principal.

Please follow guidelines below for listing principals.

- If the owner is a partnership, list the names of all GPs, regardless of % interest in the General Partnership
- If the owner is an LLC, list the names of all members regardless of % interest
- If the owner is a Corporation (public or private), Organization or Governmental Entity, list the names of officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder having a 25% or more interest
- If the owner is a Trust, list the names of all persons having a 25% or more beneficial ownership interest in the assets of the trust
- If the owner is an Individual, list the name of anyone having a 25% or more ownership interest of the named individual

If none of the above applies, list the name of any person that directly or indirectly controls or has the power to control a principal.

If you have any questions, please call the Tax Credit Allocation Department at (804) 343-5518.



## Previous Participation Certification

Development Name: \_\_\_\_\_

Name of Applicant (entity): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that:

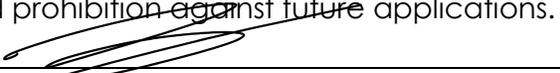
1. All the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification.
2. During any time that any of the participants were principals in any multifamily rental property, no property has been foreclosed upon, in default or assigned to the mortgage insurer (governmental or private); nor has mortgage relief by the mortgagee been given;
3. During any time that any of the participants were principals in any multifamily rental property, there has not been any breach by the owner of any agreements relating to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership;
4. That at no time have any principals listed in this certification been required to turn in a property to the investor or have been removed from a multifamily rental property ownership structure;
5. That to the best of my knowledge, there are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the participants were principals;
6. During any time that any of the participants were principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for the property;
7. None of the participants has been convicted of a felony and is not presently, to my knowledge, the subject of a complaint or indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less;
8. None of the participants has been suspended, debarred or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity; and

**Previous Participation Certification, cont'd**

- 9. None of the participants has defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
- 10. None of the participants is a Virginia Housing Development Authority (VHDA) employee or a member of the immediate household of any of its employees.
- 11. None of the participants is participating in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
- 12. None of the participants has been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
- 13. None of the participants was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the participant was a principal in such property. This does not refer to corrected 8823's.
- 14. None of the participants is currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).
- 15. None of the participants has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion, I have attached a true and accurate statement to explain the relevant facts and circumstances.

Failure to disclose information about properties which have been found to be out of compliance or any material misrepresentations are grounds for rejection of an application and prohibition against future applications.

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date (no more than 30 days prior to submission of the Application)

D

# List of LIHTC Developments

(Schedule A)  
**(MANDATORY)**

# List of LIHTC Developments (Schedule A)



Development Name: Hopewell Heights Apartments  
 Name of Applicant: William D. Hughes, Jr. for ENV - Hopewell Heights, LP

**INSTRUCTIONS:**

- 1 A Schedule A is required for every individual that makes up the GP or Managing Member - does not apply to principals of publicly traded corporations.
- 2 For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement.
- 3 List only tax credit development experience since 2003 (i.e. for the past 15 years)
- 4 Use separate pages as needed, for each principal.

**Controlling GP (CGP) or 'Named' Managing**

Principal's Name: \_\_\_\_\_ Member of Proposed property? \* Y or N

	Development Name/Location	Name of Ownership Entity and Phone Number	CGP or "Named" Managing Member at the time of dev.? (Y/N)*	Total Dev. Units	Total Low Income Units	Placed in Service Date	8609(s) Issue Date	Uncorrected 8823's? (Y/N) Explain "Y"
1	Albert Pike - Arkansas	Summit Albert Pike LP	Y	131	130	2013	2013	N
2	Aspen Park - Texas	Summit Aspen Park Apartments, Ltd.	Y	256	231	2007	2007	N
3	Arbor Place - Louisiana	Arbor Palce Apartments Partners, Ltd	Y	136	69	2009	2009	N
4	Ashland Woods Apartments	LRC - Ashland Woods, LP	Y	150	150	2018	2018	N
5	Audubon Village I	LRC - Audubon Village I, LP	Y	160	160	2018	2018	N
6	Audubon Village II	LRC - Audubon Village II, LP	Y	54	54	2018	2018	N
7	Azalea Point - Alabama	Summit Village Green, Ltd.	Y	208	208	2004	2004	N
8	Belmont Village - Louisiana	Summit Belmont Village Apartments, Ltd.	Y	204	104	2010	2010	N
9	Brookhaven - Oklahoma	Summit Brookhaven Apartments, L.P.	Y	120	120	2008	2009	N
10	Callier Forest - Georgia	Callier Forest, L.P.	Y	130	130	2004	2005	N
11	Center Ridge - Texas	Summit Center Ridge Apartments, Ltd	Y	224	213	2008	2008	N
12	Champions Crossing	Champions Crossing, L.P.	Y	156	156	2014	2015	Y
13	Coral Hills - Texas	Coral Hills Apartments, Ltd	Y	174	172	2006	2007	N
14	Clear Horizon - Louisiana	Summit Clear Horizon Apartments, LP	Y	84	84	2013	2014	N
15	Country Place - Kentucky	Summit Country Place Apartments, Ltd.	Y	150	150	2011	2012	N
16	Coweta - Oklahoma	Summit Coweta Apartments, LP	Y	60	60	2013	2014	N
17	Crestwood Apartments	Summit Crestwood Apartments, Ltd.	Y	216	216	2011	2011	N
18	Creekwood - Alabama	Summit Creekwood, Ltd	Y	125	121	2003	2003	N
19	Downing Place Townhomes	LRC - Downing Place, LP	Y	193	155	2018	2019	N
20	Deville Manor Apartments	LRC - Deville Manor, LP	Y	104	104	2018	2019	N
21	Eagles Landing	LRC - Eagles Landing, LP	Y	80	80	2016	2016	N
22	Eastgate - Georgia	Eastgate Apartments, Ltd.	Y	96	96	2005	2005	N
23	Elm Ridge - Texas	Elm Ridge Affordable Partners, Ltd.	Y	130	130	2011	2012	N
24	Emerald Point - Louisiana	Emerald Point Apartments Partners, Ltd.	Y	120	72	2008	2008	N
25	Fairview - Georgia	Thomaston Housing Partners, Ltd.	Y	100	98	2005	2006	N
26	Forest Court	LRC - Forest Westover, LP	Y	180	180	2017	2017	N
27	Forrester Gardens - Alabama	Summit Forrester Gardens Ltd.	Y	152	146	2003	2003	N
28	Franklin Place Townhomes	Frankling Place Townhomes, LP	Y	96	96	2014	2014	N
29	Garden Oaks - Louisiana	Summit Garden Oaks Ltd.	Y	98	98	2013	2013	N
30	Griner Gardens	Griner Gardens, LP	Y	48	48	2017	2018	N
31	Groveland Terrace	Groveland Terrace, LP	Y	52	52	2005	2005	N
32	Hillcrest - Texas	Summit Hillcrest Apartments, Ltd.	Y	353	299	2007	2007	N
33	Hickory Park - Georgia	Hickory Park, Ltd.	Y	150	150	2003	2003	N
34	Heritage View - Alabama	Summit Heritage View, Ltd	Y	55	55	2011	2012	N
35	Indian Springs Apartments	LRC - Indian Springs, LP	Y	261	261	2017	2018	N
36	Lakewood Terrace - Florida	Lakewood Terrace Affordable Housing Group, Ltd.	Y	132	132	2010	2010	N
37	Lapalco Court - Louisiana	Lapalco Court Apartments Partners, Ltd.	Y	100	45	2009	2009	N

\* Must have the ability to bind the LIHTC entity; document with partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

1st PAGE  
 TOTAL: 5,238 4,825

LIHTC as % of  
 92% Total Units



E

Site Control  
Documentation & Most  
Recent Real Estate Tax  
Assessment  
(MANDATORY)

200002241

0074

Tax Map No: 106-0497

Consideration: \$12,000,000  
Assessed Value: \$7,289,500.00

The name of the title insurance underwriter insuring  
this deed is Chicago Title Insurance Company

Return to:

Williams Mullen  
200 South 10th Street, Suite 1600  
Richmond, VA 23219  
Attn: Allison T. Domson, Esq.

VSB No. 44285

### **SPECIAL WARRANTY DEED**

**THIS SPECIAL WARRANTY DEED** is made as of this 15th day of October, 2020, by and between HOPEWELL HEIGHTS ASSOCIATES, A LIMITED PARTNERSHIP, a Virginia limited partnership (the "Grantor"), a grantor for indexing purposes; and ENV – HOPEWELL HEIGHTS, LP, a Virginia limited partnership (the "Grantee"), a grantee for indexing purposes.

#### **WITNESSETH:**

THAT for and in consideration of the sum of Twelve Million Dollars (\$12,000,000.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor does hereby grant and convey, with Special Warranty of Title, unto the Grantee, in fee simple that certain real estate located in the City of Hopewell, Virginia and more particularly described in Exhibit A attached hereto and by this reference made a part hereof, together with improvements thereon and appurtenant rights thereunto belonging (the "Property").

This conveyance is made subject to all easements, covenants, conditions, encumbrances, agreements and restrictions of record insofar as they may lawfully affect title to the Property.

[SIGNATURE PAGE FOLLOWS]



**Exhibit "A"**  
**Legal Description**

ALL those certain lots, pieces or parcels of land, together with appurtenances thereto belonging, being a 10.00 acre and a 0.7845 acre tract of land, lying and being in the City of Hopewell, Virginia, and more particularly described as follows:

BEGINNING on the west line of Old Iron Road at a point marking the common boundary line of the property hereby conveyed and the Butor Tract Parcel 2-A; thence S 77° 41' 39" W 680.607 feet to a point; thence continuing S 77° 41' 39" W 1,228.00 feet to a point; thence N 36° 34' 00" E 188.39 feet to a point; thence N 47° 32' 55" W 72.38 feet to a point; thence N 42° 21' 24" E 178.09 feet to a point; thence N 55° 04' 55" E 437.33 feet to a point; thence N 63° 18' 50" E 178.62 feet to a point; thence S 17° 41' 10" E 61.01 feet to a point; thence N 77° 35' 34" E 351.424 feet to a point; thence S 18° 38' 38.5" E 390.809 feet to a point; thence N 77° 41' 39" E 686.331 feet to a point in the west line of Old Iron Road; thence along the west line of Old Iron Road S 12° 06' 40" E 50.00 feet to the point and place of beginning, all which is more particularly shown on a plat of survey prepared by Pritchard & Altman, Engineers and Surveyors, dated April 21, 1978, entitled "Plat Showing Property of Hopewell Associates, Inc., Being a 10.00 Acre & A 0.7845 Acre Tract Designated For An Apartment Site & An Access Road.", a copy of which is attached hereto, made a part hereof and recorded herewith.

BEING the same property conveyed to Hopewell Heights Associates, a Virginia limited partnership, by deed from Hopewell Associates, a Virginia limited partnership, dated April 5, 1978, recorded May 4, 1978, Clerk's Office, Circuit Court, City of Hopewell, Virginia, as Deed No. 655.

0077

**Schedule "B"**  
**Permitted Exceptions**

1. All matters of record appearing in that certain Commitment For Title Insurance, Commitment No. SHTC20-1064, issued by Safe Harbor Title Company, dated June 29, 2020.

INSTRUMENT 200002241  
RECORDED IN THE CLERK'S OFFICE OF  
HOPEWELL CIRCUIT COURT ON  
OCTOBER 15, 2020 AT 03:26 PM  
\$12000.00 GRANTOR TAX WAS PAID AS  
REQUIRED BY SEC 58.1-802 OF THE VA. CODE  
STATE: \$6000.00 LOCAL: \$6000.00  
TAMARA J. WARD, CLERK  
RECORDED BY: MBB

*Maisie Brewer*

**Summary**

Parcel ID 1060497  
 Tax ID 1060497  
 Neighborhood 350 - APARTMENTS  
 Property Address 4105 Old Iron CT  
 Legal Description 10.7845 AC ADJ TO SHOPPING CENTER SUBDIVISION: MISCELLANEOUS ACREAGE  
 (Note: Not to be used on legal documents)  
 Acreage N/A  
 Class 3 - 3 Multi-Family  
 Tax District/Area 07

[View Map](#)



**Owner**

Primary Owner  
 Env - Hopewell Heights Lp  
 105 Tallapoosa St Suite 300  
 Montgomery, AL 36104

**Site Description**

Zoning R4

**Land**

Land Type	Soil ID	Actual Front	Acreage	Effect. Front	Effect. Depth	Prod Factor	Depth Factor	Meas Sq Ft	Base Rate	Adj Rate	Extended Value	Influ. Factor	Value
Homestead			10.659			1.00	1.00		490,800.00	490,800.00	490,800.00		490,800.00

Land Detail Value Sum 490,800.00

**Transfers**

Date	Owner 1	Owner 2	Book & Page	Document #	Amount
10/15/2020	HOPEWELL HEIGHTS ASSOCIATES			200002241	\$12,000,000
5/4/1978	A		156/948		\$0

**Valuation**

Assessment Year	01/01/2021	01/01/2019	01/01/2017	01/01/2015	01/01/2013
Reason for Change	Reassessment	Reassessment	Reassessment	Reassessment	Reassessment
VALUATION	Land	\$755,000	\$755,000	\$755,000	\$490,800
(Assessed Value)	Improvements	\$6,534,500	\$6,534,500	\$6,534,500	\$6,538,600
	Total	\$7,289,500	\$7,289,500	\$7,289,500	\$7,029,400

**Photos**



**No data available for the following modules:** Residential Dwellings, Commercial Buildings, Improvements, Sketches.

The City of Hopewell Assessor's Office makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation.

[User Privacy Policy](#)  
[GDPR Privacy Notice](#)

Last Data Upload: 6/14/2021, 4:09:37 AM

Developed by  
 **Schneider**  
GEOSPATIAL

Version 2.3.125

F

Third-Party RESNET  
Rater Certification  
(MANDATORY)



Appendix F
RESNET Rater Certification of Development Plans

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP).
In the event the plans and specifications do not include requirements to meet the QAP baseline energy performance, then those requirements still must be met, even though the application is accepted for credits.

\*\*\*Please note that this may cause the Application to be ineligible for credits. The Requirements apply to any new, adaptive reuse or rehabilitated development (including those serving elderly and/or physically disabled households).

In addition provide HERS rating documentation as specified in the manual

New Construction - EnergyStar Certification
The development's design meets the criteria for the EnergyStar certification.
Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide EnergyStar Certification to VHDA.

x -30% Rehabilitation -30% performance increase over existing, based on HERS Index
Or Must evidence a HERS Index of 80 or better
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

Adaptive Reuse - Must evidence a HERS Index of 95 or better.
Rater understands that before issuance of IRS Form 8609, rater must provide Certification to VHDA of energy performance.

Additional Optional Certifications

I certify that the development's plans and specifications incorporate all items for the certification as indicated below, and I am a certified verifier of said certification. In the event the plans and specifications do not include requirements to obtain the certification, then those requirements still must be met, even though the application is accepted for credits. Rater understands that before issuance of IRS Form 8609, applicant will obtain and provide Certification to VHDA.

FALSE Earthcraft Certification - The development's design meets the criteria to obtain Viridiant's EarthCraft Multifamily program Gold certification or higher

FALSE LEED Certification - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.

FALSE National Green Building Standard (NGBS) - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification

FALSE Enterprise Green Communities - The developmen's design meets the criteria for meeting meeting the requirements as stated in the Enterprise Green Communities Criteria for this developments construction type to obtain certification.

\*\*\*Please Note Raters must have completed 500+ ratings in order to certify this form

Signed: [Signature]

Date: 6/18/21

Printed Name: Stacey Smith

RESNET Rater

Resnet Provider Agency
Viridiant

Signature [Signature]

Provider Contact and Phone/Email Sean Evensen-Shanley (804)212-1934 /sean.shanley@viridiant.org

Hopewell Heights  
2021 Pre-Review Comments

Project Address

4105 Old Iron Court  
Hopewell, VA 23860

Project Summary

Hopewell Heights is a renovation combination mid-rise and low-rise multifamily development, comprised of 150 units located in Hopewell, VA. Envolve Communities, LLC. plans to construct the project utilizing 4% LIHTC. As part of their funding application the project is seeking a HERS score improvement of 30% over baseline conditions. Theresa Bartlett of DNA Workshop is the primary architect contact for the project.

Unit-Level Energy Modeling

Unit-level models were generated using Ekotrope v4.0.0 based on the proposed scope and plans provided by the project team dated March 30, 2021. The following outlines the scope as it is currently modeled.

With the current scope of work, the average weighted HERS improvement across the entire development is 30.4%

---

Post-Renovation Scope: 1BRA 1<sup>st</sup> Floor – HERS 117 – 19% improvement

Enclosure:

- Uninsulated Slab
- 6” Block walls with Brick veneer, uninsulated
- R-13 Grade II cavity insulation in party walls and adiabatic ceilings/floors
- R-25 Continuous roof deck
- 0.21 U-Value for opaque doors
- Existing metal windows

Mechanicals:

- EER 11.7, HSPF 3.4 COP, 7k PTAC units (multiple in apartments)
- 0.93 UEF storage electric water heaters, 30 gallon
- 5 ACH<sub>50</sub> for infiltration threshold/blower door test (DEFAULT TESTING VALUE)

Lights & Appliances:

- ES rated kitchen appliances
  - 616 kWh/yr refrigerator (ADA)
  - 270 kWh/yr dishwasher
- Advanced lighting 100% CFL or LED

---

Pre-Renovation Modeling: 1BRA 1<sup>st</sup> Floor – HERS 141

Enclosure:

- Uninsulated Slab
- 6” Block walls with Brick veneer, uninsulated
- R-13 Grade II cavity insulation in party walls and adiabatic ceilings/floors



- 0.21 U-Value for opaque doors
- Single Metal Existing Windows

Mechanicals:

- EER 9.7, HSPF 3.0 COP, 14k PTAC units
- 0.93 EF storage electric water heaters, 28 gallon
- 8.6 ACH<sub>50</sub> for infiltration threshold/blower door test

Lights & Appliances:

- 655 kWh/yr refrigerator (default age based)
- No dishwasher present
- Lighting 10% CFL, 90% incandescent

---

Post-Renovation Scope: 3BR TH - HERS 88 - 36% improvement

Enclosure:

- Uninsulated Slab
- R-13 Grade II cavity insulation in exterior walls
- R-13 Grade II cavity insulation in party walls and adiabatic ceilings/floors
- R-38 blown insulation
- 0.21 U-Value for opaque doors
- Single Metal Existing Windows

Mechanicals:

- 18k, 15 SEER, 8.5 HSPF split system heat pump
- 5% duct leakage to outside, 8% total duct leakage (ASSUMED)
- 0.93 UEF storage electric water heaters, 30 gallon
- 5 ACH<sub>50</sub> for infiltration threshold/blower door test (ASSUMED)

Lights & Appliances:

- ES rated kitchen appliances
  - 616 kWh/yr refrigerator (ADA)
  - 270 kWh/yr dishwasher
- Advanced lighting 100% CFL or LED

---

Pre-Renovation Scope: 3BR TH - HERS 139

Enclosure:

- Uninsulated Slab
- R-13 Grade II cavity insulation in exterior walls
- R-13 Grade II cavity insulation in party walls and adiabatic ceilings/floors
- R-16 blown cellulose insulation existing
- 0.21 U-Value for opaque doors
- Single Metal Existing Windows

Mechanicals:

- 30, 13 SEER, 100 AFUE air conditioner with electric furnace
- 10% duct leakage to outside, 34% total duct leakage (TESTED)
- 0.93 UEF storage electric water heaters, 30 gallon
- 13 ACH<sub>50</sub> for infiltration threshold/blower door test (TESTED)

Hopewell Heights  
June 15, 2021



Lights & Appliances:

- 655 kWh/yr refrigerator (default age based)
- No dishwasher present
- Lighting 10% CFL, 90% incandescent

Please let me know if you have any questions or if the above information does not accurately capture your current scope.

Sincerely,

A handwritten signature in black ink, appearing to be "Stacey Smith".

Stacey Smith  
*Project Manager, Viridiant*

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: BdNyG7rL

### HERS® Index Score:

# 139

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$178

\*Relative to an average U.S. home

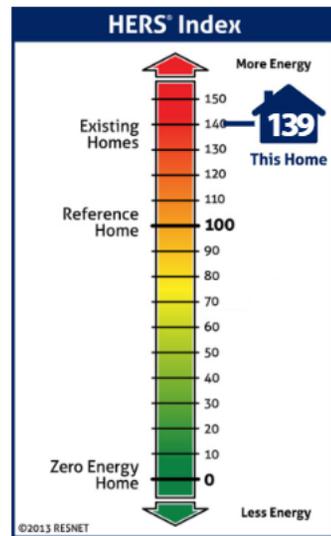
**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	26.4
Cooling	4.1
Hot Water	7.1
Lights/Appliances	19.3
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>56.9</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	1,297 ft <sup>2</sup>
Number of Bedrooms:	3
Primary Heating System:	Furnace • Electric • 100 AFUE
Primary Cooling System:	Air Source Heat Pump • Electric • 13 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 Energy Factor
House Tightness:	2126.8 CFM50 (13.15 ACH50)
Ventilation:	None
Duct Leakage to Outside:	141 CFM @ 25Pa (10.87 / 100 ft <sup>2</sup> )
Above Grade Walls:	R-13
Ceiling:	Attic, R-19
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater  
Digitally signed: 6/18/21 at 2:28 PM



# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: Od4ZAY12

### HERS® Index Score:

# 68

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$1,072

\*Relative to an average U.S. home

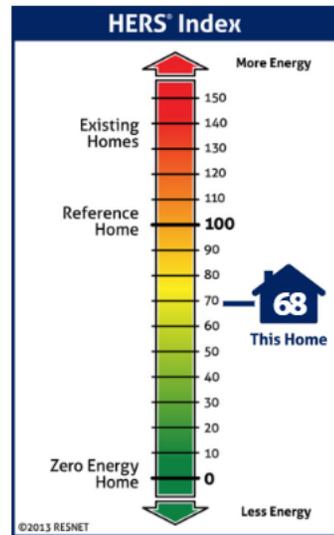
**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	7.9
Cooling	3.1
Hot Water	8.0
Lights/Appliances	17.0
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>36.0</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	1,581 ft <sup>2</sup>
Number of Bedrooms:	4
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	None
Duct Leakage to Outside:	5 CFM25 / 100 ft <sup>2</sup>
Above Grade Walls:	R-13
Ceiling:	Attic, R-38
Window Type:	U-Value: 0.35, SHGC: 0.3
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater  
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# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: Vvn0rOyL

### HERS® Index Score:

# 143

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$197

\*Relative to an average U.S. home

**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	31.0
Cooling	4.9
Hot Water	8.3
Lights/Appliances	21.9
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>66.1</b>

**This home meets or exceeds the criteria of the following:**

### Rating Completed by:

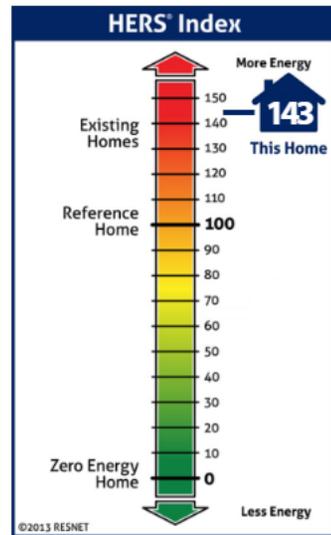
**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220



Stacey Smith, Certified Energy Rater  
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### Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	1,581 ft <sup>2</sup>
Number of Bedrooms:	4
Primary Heating System:	Furnace • Electric • 100 AFUE
Primary Cooling System:	Air Source Heat Pump • Electric • 13 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 Energy Factor
House Tightness:	2126.8 CFM50 (10.79 ACH50)
Ventilation:	None
Duct Leakage to Outside:	141 CFM @ 25Pa (8.92 / 100 ft <sup>2</sup> )
Above Grade Walls:	R-13
Ceiling:	Attic, R-19
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: Od4x8rjd

### HERS® Index Score:

# 117

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$411

\*Relative to an average U.S. home

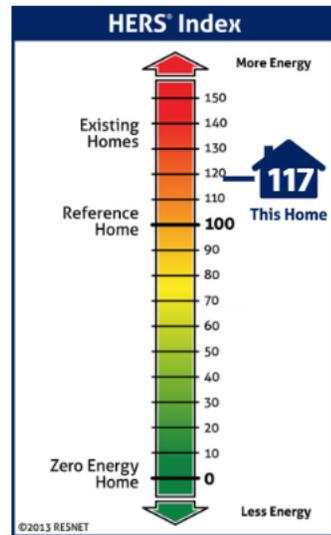
**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	7.1
Cooling	1.9
Hot Water	3.8
Lights/Appliances	10.4
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>23.1</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	608 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 3.4 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 11.7 EER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	10 ACH50
Ventilation:	None
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-0
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

  
Stacey Smith, Certified Energy Rater  
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# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: Zdmr7oRv

### HERS® Index Score:

# 141

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$260

\*Relative to an average U.S. home

**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	7.2
Cooling	2.5
Hot Water	4.2
Lights/Appliances	13.2
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>27.1</b>

**This home meets or exceeds the criteria of the following:**

### Rating Completed by:

**Energy Rater:** Stacey Smith

RESNET ID: 2279319

**Rating Company:** Viridiant

1431 W. Main Street, Richmond, VA 23220

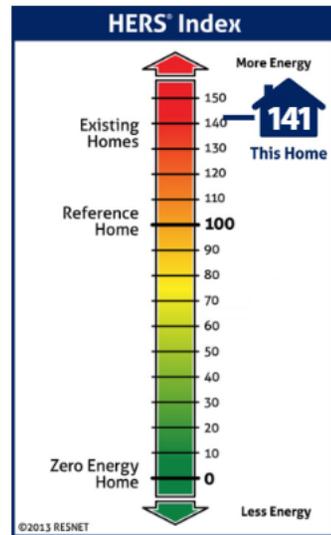
**Rating Provider:** Viridiant

1431 W. Main Street, Richmond, VA 23220



Stacey Smith, Certified Energy Rater

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### Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	608 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 3 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 9.7 EER
Primary Water Heating:	Water Heater • Electric • 0.93 Energy Factor
House Tightness:	920.5 CFM50 (8.60 ACH50)
Ventilation:	None
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-0
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: M28GRK8v

### HERS® Index Score:

# 112

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$459

\*Relative to an average U.S. home

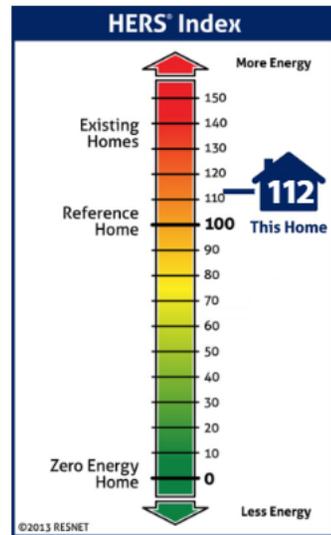
**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	5.0
Cooling	2.3
Hot Water	3.9
Lights/Appliances	10.4
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>21.6</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	608 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 3.4 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 11.7 EER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	None
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-0
Ceiling:	Vaulted Roof, R-23
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater  
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# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: 9vgJB8Bd

### HERS® Index Score:

# 151

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$243

\*Relative to an average U.S. home

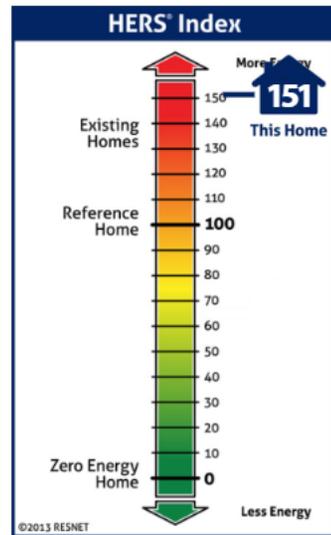
**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	6.8
Cooling	3.6
Hot Water	4.2
Lights/Appliances	13.2
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>27.8</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	608 ft <sup>2</sup>
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 3 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 9.7 EER
Primary Water Heating:	Water Heater • Electric • 0.93 Energy Factor
House Tightness:	920.5 CFM50 (10.48 ACH50)
Ventilation:	None
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-0
Ceiling:	Vaulted Roof, R-11
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater  
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# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: wdk6BBzL

### HERS® Index Score:

# 108

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$573

\*Relative to an average U.S. home

**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	6.0
Cooling	2.9
Hot Water	5.5
Lights/Appliances	12.3
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>26.8</b>

**This home meets or exceeds the criteria of the following:**

### Rating Completed by:

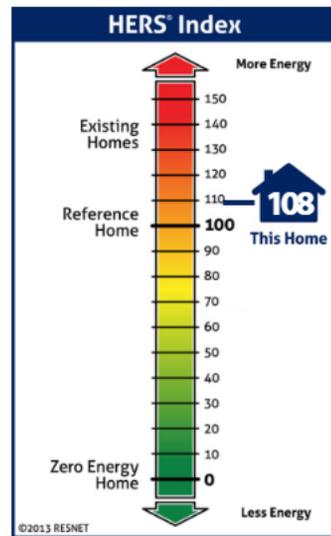
**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220



Stacey Smith, Certified Energy Rater  
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### Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	865 ft <sup>2</sup>
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 3.4 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 11.7 EER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	None
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-0
Ceiling:	Vaulted Roof, R-23
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01  
 Registry ID:  
 Ekotrope ID: zvw7NNVv

### HERS® Index Score:

# 143

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$336

\*Relative to an average U.S. home

**Home:**  
 4105 Old Iron Court  
 Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	7.8
Cooling	4.5
Hot Water	5.8
Lights/Appliances	15.7
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>33.8</b>

**This home meets or exceeds the criteria of the following:**

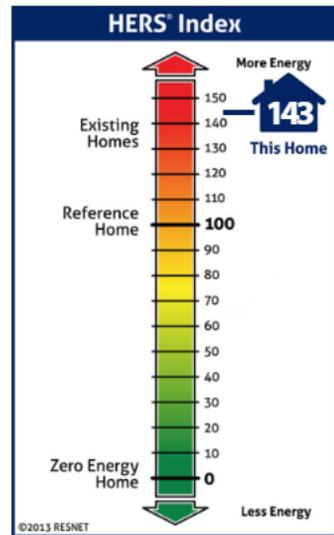
### Rating Completed by:

**Energy Rater:** Stacey Smith  
 RESNET ID: 2279319

**Rating Company:** Viridiant  
 1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
 1431 W. Main Street, Richmond, VA 23220

  
 Stacey Smith, Certified Energy Rater  
 Digitally signed: 6/18/21 at 2:28 PM



### Home Feature Summary:

Home Type:	Apartment, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	865 ft <sup>2</sup>
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 3 COP
Primary Cooling System:	Air Source Heat Pump • Electric • 9.7 EER
Primary Water Heating:	Water Heater • Electric • 0.93 Energy Factor
House Tightness:	920.5 CFM50 (7.36 ACH50)
Ventilation:	None
Duct Leakage to Outside:	Forced Air Ductless
Above Grade Walls:	R-0
Ceiling:	Vaulted Roof, R-11
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: DLzXZ3lv

### HERS® Index Score:

# 146

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$104

\*Relative to an average U.S. home

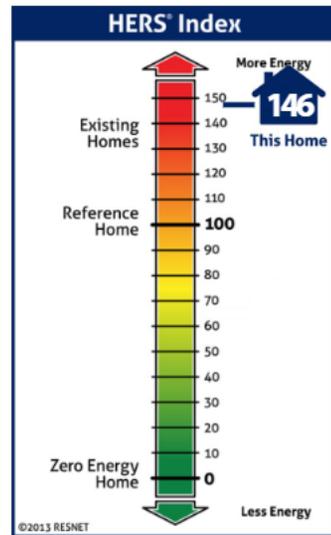
**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	18.3
Cooling	3.4
Hot Water	5.9
Lights/Appliances	16.3
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>43.8</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	967 ft <sup>2</sup>
Number of Bedrooms:	2
Primary Heating System:	Furnace • Electric • 100 AFUE
Primary Cooling System:	Air Source Heat Pump • Electric • 13 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 Energy Factor
House Tightness:	2126.8 CFM50 (17.65 ACH50)
Ventilation:	None
Duct Leakage to Outside:	141 CFM @ 25Pa (14.58 / 100 ft <sup>2</sup> )
Above Grade Walls:	R-13
Ceiling:	Attic, R-19
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater  
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# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01  
 Registry ID:  
 Ekotrope ID: ZdmMBrVd

### HERS® Index Score:

# 85

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$633

\*Relative to an average U.S. home

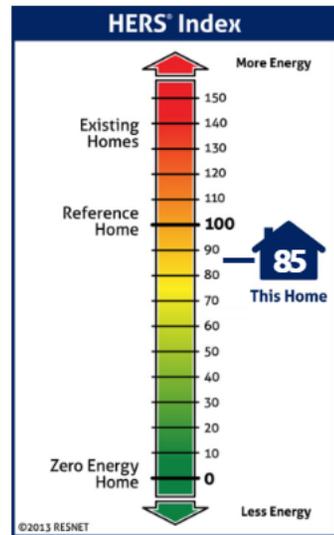
**Home:**  
 4105 Old Iron Court  
 Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	5.3
Cooling	2.5
Hot Water	5.6
Lights/Appliances	12.7
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>26.1</b>

**This home meets or exceeds the criteria of the following:**



### Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	967 ft <sup>2</sup>
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Water Heater • Electric • 0.95 Energy Factor
House Tightness:	5 ACH50
Ventilation:	None
Duct Leakage to Outside:	5 CFM25 / 100 ft <sup>2</sup>
Above Grade Walls:	R-13
Ceiling:	Attic, R-38
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

### Rating Completed by:

**Energy Rater:** Stacey Smith  
 RESNET ID: 2279319

**Rating Company:** Viridiant  
 1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
 1431 W. Main Street, Richmond, VA 23220

Stacey Smith, Certified Energy Rater  
 Digitally signed: 6/18/21 at 2:28 PM



# Home Energy Rating Certificate

## Projected Report

Rating Date: 2021-04-01

Registry ID:

Ekotrope ID: ILXykq0d

### HERS® Index Score:

# 88

Your home's HERS score is a relative performance score. The lower the number, the more energy efficient the home. To learn more, visit [www.hersindex.com](http://www.hersindex.com)

### Annual Savings

# \$733

\*Relative to an average U.S. home

**Home:**  
4105 Old Iron Court  
Hopewell, VA 23860

**Builder:**

### Your Home's Estimated Energy Use:

	Use [MBtu]
Heating	13.2
Cooling	3.1
Hot Water	6.8
Lights/Appliances	14.9
Service Charges	
Generation (e.g. Solar)	0.0
<b>Total:</b>	<b>38.2</b>

**This home meets or exceeds the criteria of the following:**

### Rating Completed by:

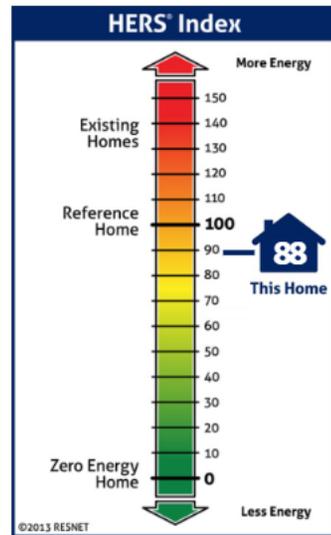
**Energy Rater:** Stacey Smith  
RESNET ID: 2279319

**Rating Company:** Viridiant  
1431 W. Main Street, Richmond, VA 23220

**Rating Provider:** Viridiant  
1431 W. Main Street, Richmond, VA 23220



Stacey Smith, Certified Energy Rater  
Digitally signed: 6/18/21 at 2:28 PM



### Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	N/A
Community:	Hopewell Heights
Conditioned Floor Area:	1,297 ft <sup>2</sup>
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 15 SEER
Primary Water Heating:	Water Heater • Electric • 0.93 UEF
House Tightness:	10 ACH50
Ventilation:	None
Duct Leakage to Outside:	5 CFM25 / 100 ft <sup>2</sup>
Above Grade Walls:	R-13
Ceiling:	Attic, R-38
Window Type:	U-Value: 1.31, SHGC: 0.8
Foundation Walls:	N/A

G

Zoning Certification Letter  
(MANDATORY)



# The City of Hopewell, Virginia

Department of Development

300 N. Main Street ● Hopewell Virginia 23860 ● (804) 541-2220 ● Fax: (804) 541-2318

## ZONING CONFIRMATION

**DATE:** March 25, 2021

**TO:** Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, Virginia 23220  
Attention: JD Bondurant

**RE:** ZONING CERTIFICATION

Name of Development: Hopewell Heights Apartments

Name of Owner/Applicant: ENV – Hopewell Heights, LP

Name of Seller/Current Owner: ENV – Hopewell Heights, LP

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credits.

### DEVELOPMENT DESCRIPTION:

Development Address:  
4105 Old Iron Court #6647 Hopewell, VA 23860

Legal Description:  
See attached

Proposed Improvements:

<input type="checkbox"/> New Construction:	_____ # Units	_____ # Buildings	_____ Total Floor Area Sq. Ft.
<input type="checkbox"/> Adaptive Reuse:	_____ # Units	_____ # Buildings	_____ Total Floor Area Sq. Ft.
<input checked="" type="checkbox"/> Rehabilitation:	<u>150</u> # Units	<u>9</u> # Buildings	<u>116,098</u> Total Floor Area Sq. Ft.

Current Zoning: R-4 Residential Apartment District allowing a density of \_\_\_\_\_  
(see below) units per acre, and the following other applicable conditions: \_\_\_\_\_

Other Descriptive Information:

The minimum lot area for multifamily uses in this district shall be 2,000 sf for each one bedroom dwelling unit, 2,400 sf for each two bedroom dwelling unit, and 2,800 sf for each bedroom dwelling unit

**LOCAL CERTIFICATION:**

Check one of the following as appropriate:

- The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.
- The development described above is an approved non-conforming use. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.

  
Signature

Christopher J Ward  
Printed Name

Senior Planner  
Title of Local Official or Civil Engineer

(804) 541-2221  
Phone:

March 25, 2021  
Date:

**NOTES TO LOCALITY:**

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please call JD Bondurant at (804) 343-5725.

H

Attorney's Opinion  
(MANDATORY)

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Click on any tab label to be directed to that tab within the application.

<b>TAB</b>	<b>DESCRIPTION</b>
1. <a href="#"><u>Submission Checklist</u></a>	Mandatory Items, Tabs and Descriptions
2. <a href="#"><u>Development Information</u></a>	Development Name and Locality Information
3. <a href="#"><u>Request Info</u></a>	Credit Request Type
4. <a href="#"><u>Owner Information</u></a>	Owner Information and Developer Experience
5. <a href="#"><u>Site and Seller Information</u></a>	Site Control, Identity of Interest and Seller info
6. <a href="#"><u>Team Information</u></a>	Development Team Contact information
7. <a href="#"><u>Rehabilitation Information</u></a>	Acquisition Credits and 10-Year Look Back Info
8. <a href="#"><u>Non Profit</u></a>	Non Profit Involvement, Right of First Refusal
9. <a href="#"><u>Structure</u></a>	Building Structure and Units Description
10. <a href="#"><u>Utilities</u></a>	Utility Allowance
	Building Amenities above Minimum Design Requirements
11. <a href="#"><u>Enhancements</u></a>	
12. <a href="#"><u>Special Housing Needs</u></a>	504 Units, Sect. 8 Waiting List, Rental Subsidy
13. <a href="#"><u>Unit Details</u></a>	Set Aside Selection and Breakdown
14. <a href="#"><u>Budget</u></a>	Operating Expenses
15. <a href="#"><u>Project Schedule</u></a>	Actual or Anticipated Development Schedule
16. <a href="#"><u>Hard Costs</u></a>	Development Budget: Contractor Costs
	Development Budget: Owner's Costs, Developer Fee, Cost Limits
17. <a href="#"><u>Owner's Costs</u></a>	
18. <a href="#"><u>Eligible Basis</u></a>	Eligible Basis Calculation
	Construction, Permanent, Grants and Subsidized Funding Sources
19. <a href="#"><u>Sources of Funds</u></a>	
20. <a href="#"><u>Equity</u></a>	Equity and Syndication Information
	Credit Reservation Amount Needed
21. <a href="#"><u>Gap Calculation</u></a>	
21. <a href="#"><u>Cash Flow</u></a>	Cash Flow Calculation
22. <a href="#"><u>BINs</u></a>	BIN by BIN Eligible Basis
24. <a href="#"><u>Owner Statement</u></a>	Owner Certifications
25. <a href="#"><u>Architect's Statement</u></a>	Architect's agreement with proposed deal
26. <a href="#"><u>Scoresheet</u></a>	Self Scoresheet Calculation
27. <a href="#"><u>Development Summary</u></a>	Summary of Key Application Points
28. <a href="#"><u>Efficient Use of Resources</u></a>	Calculation of Score
29. <a href="#"><u>Efficient Use of Resources - TE Bonds</u></a>	Calculation of Score

# WILLIAMS MULLEN

Direct Dial: 804.420.6915  
adomson@williamsmullen.com

June 22, 2021

TO: Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, VA 23220

RE: 2021 Tax Credit Reservation Request

Name of Development: Hopewell Heights Apartments  
Name of Owner: ENV – Hopewell Heights, LP

Gentlemen:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated June 16, 2021 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary in order to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

# WILLIAMS MULLEN

June 22, 2021

Page 2

4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.

5. It is more likely than not that the representations made under the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.

6. After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code 42(d)(2)(B) are not correct.

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("VHDA") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by VHDA and may not be relied upon by any other party for any other purpose.

This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.

WILLIAMS MULLEN, A Professional Corporation



By: \_\_\_\_\_

Allison T. Domson

Its: Shareholder

Direct Dial: 804.420.6915  
adomson@williamsmullen.com

June ~~22~~, 2021

TO: Virginia Housing Development Authority  
601 South Belvidere Street  
Richmond, VA 23220

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WILLIAMS MULLEN, A Professional Corporation

By: \_\_\_\_\_

Allison T. Domson

Its: Shareholder

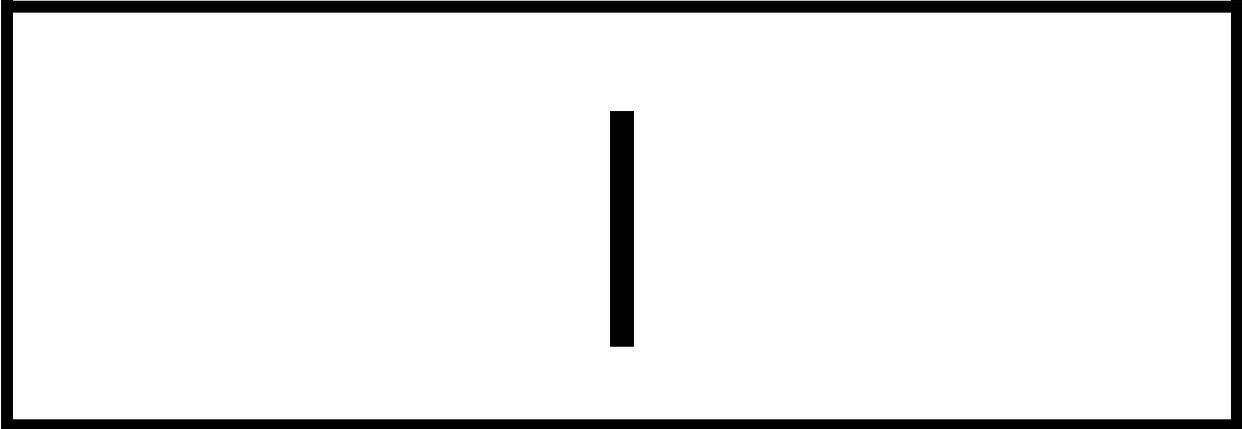
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Moved to	0
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Format changed	0

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# Nonprofit Questionnaire

(MANDATORY for points or pool)

NOT AVAILABLE

J

Relocation Plan  
Including Unit  
Delivery Schedule  
(MANDATORY, if tenants are displaced)

# Temporary Relocation Plan

Envolve Communities, LLC

## Table of Contents

- Cover Page
- Relocation Procedure Narrative
- CDC Advisory Handout
- Relocation Concierge Program
- Management Company Interaction Protocols
- Relocation Personnel Information
- Sample Notifications / Tenant Relocation Information
  - 30 Day Temporary Move Notice (ADA Unit)
  - 30 Day Temporary Move Notice
  - General Information Notice Residential Tenant
  - Notice (ADA Unit): Move from Temporary Dwelling to Permanent Dwelling
  - Notice: Move from Temporary Dwelling to Permanent Dwelling
  - Notice of No displacement to Residential Tenant
  - Renovation Information
  - Relocation FAQ's
  - Resident Packing Information
- Property Hierarchy • Notice to Residents
  - Relocation Interview Checklist

Relocation Budget & Schedule

Plan Budget

Plan Schedule

Plan Schedule (HUD format)

Contractor Protocol and Policies

## **Relocation Procedure Narrative**

It is the intent of this plan to avoid any permanent displacement of the residents, and it is not anticipated that any resident will be permanently displaced. The planned scope of work will allow residents to reside in their units while work is being done. The scope primarily focuses on the upgrade of the existing conditions such as new flooring, wall and ceiling finishes, countertops, cabinets, light fixtures, etc. The contracted scope of work has been developed to localize tenant displacement between the hours of 8:00 am to 5:00 pm in a single day.

If due to unforeseen circumstances, a unit cannot be returned to fully operational status for resident's evening use, the resident will be provided equitable alternative housing, either in a vacant unit or a hotel until the unit is returned to fully operational status.

A hospitality space will be provided for residents to go during the day while work is being completed in their unit. If residents are not able to use their kitchen while work is being done in their unit, a daily meal stipend will be provided to each household for the time the kitchen is unavailable to the household.

### **RELOCATION TEAM**

Envolve Communities, LLC has set up a Relocation Team to oversee, manage and implement the relocation plan.

Kena Stith (Site Manager) will be responsible for assessing tenant's special needs, communicating project schedules/relocation options and coordinating professional movers. She will be assisted by Lynn Mapes (Regional Manager) and Tammy Nunnally (VP of Portfolio Operations).

Dennis Waters (VP of Construction Management) will oversee the disbursement of relocation budget dollars.

At each step along the way residents receive written notification and will be met with in a group setting or individually, depending upon the stage of the process. If staff is unable to meet individually or in a group setting due to social distancing or any health reasons; then a phone call would take the place of an in-person meeting.

The process can best be summarized in the Five (5) Steps outlined below.

### **THE FIVE STEPS**

The relocation team provides numerous written notices to the residents, including:

#### **Pre-Construction – All Resident Meeting:**

- Issue the General Information Notice, including information on construction -- kick-off meeting.
- On-site construction staff and project team are introduced.
- Team reviews the in-unit and common area scopes of work with tenants.
- Team discusses specific relocation benefit options.

#### **Individual Household Interview:**

- Tenant interview will be conducted to help the planning process.
- The interviews occur 30 days prior to the beginning of construction for any particular unit.
- Inquiries made to the residents include language needs, moving assistance needs, health needs, and any special physical needs.
- Please see "Relocation Interview Checklist" for more detail.

#### Construction Readiness:

- Issue Notice - Provide additional information about the duration of the tenant's unit construction and their relocation options.
- Meet with residents to review unit for construction readiness. Moving crew and maintenance staff will be available on-site to move items and complete final tasks.
- Construction begins for the unit.

#### Construction in Unit:

- Please see attached spreadsheet and schedule for construction work schedule.
- Contractor completes scope of work, including daily cleaning.
- Architect prepares punch list.
- Contractor completes any punch list work.
- Architect back checks to confirm all punch list work and final cleaning is complete. They issue AIA G704 Cert. of Substantial Completion for this group of units.
- Owner representative walks unit to confirm it is acceptable.
- Schedule adheres to standard protocols of cleanliness and sanitation, mask wearing mandate and social distancing.

#### Resident Move-Back:

- Issue Completion Notice: The notice will be delivered to residents to provide additional information about the date and process of completion.
- Resident inspects unit and confirms resident is happy with work completed. Any further revisions spotted during review are to be completed by contractor with proper notice between both Owner and resident.
- If resident and Owner are unable to conduct unit together due to social distancing measures or health precautions; then the resident and Owner would verbally discuss the unit over the phone and if possible, conduct a virtual walk through of the unit together.

## **RELOCATION PREPARATION SUMMARY**

The management team also schedules regular check-ins with the residents to make ensure they are prepared for their move weeks in advance of the actual start date. All items need to be removed from the kitchen countertops, cabinets, walls and floors and placed in the living room or bedroom. Closets and closet floors need to be clear of all items. These items are then secured covered with prep plastic to keep out any construction debris. Residents are asked to remove items of extra value or sentiment from the living room. Once complete the goal is to have a clear pathway left from the front door to the kitchen, bathrooms, and windows.

Although we are not anticipating any out-of-pocket expenses for tenants, management will review reasonable reimbursement requests. Units that contain considerable amount of overflow that will impede the scope of work to be performed will be moved to secure storage containers on the site as needed. These same movers will be available during the unit renovation to carefully shift belongings within the unit for the contractor to complete their scope. Damages are covered by the construction period insurance policy.

## **MOVING, PACKING, AND TEMPORARY RELOCATION of RESIDENT PERSONAL PROPERTY & ASSISTANCE WITH MOVING PERSONAL ITEMS**

We anticipate five days for the unit renovations. If for any reason the anticipated number of days proves insufficient, we will provide notice to the residents advising that we are increasing the number of days of the renovation.

The unit construction will be done on a rolling basis, with approximately eighteen units at a time moving in/out staggered over the course of the construction period.

We will have storage pods available to store those residents' belongings.

Relocation Personnel Information

Kena Stith - Property Manager

hopewellheightsmgr@envovellc.com

(804) 458-1961

Lynn Mapes - Regional Manager

lynn.mapes@envovellc.com

(334) 954-4458

Tammy Nunnally - VP, Portfolio Operations

tammy.nunnally@envovellc.com

(334) 954-4458

Dennis Waters - VP of Construction Management

dennis.waters@envovellc.com

(334) 954-4458

Relocation Interview Checklist

Sample Tenant Notifications

## Relocation Interview Checklist

Interview Date: \_\_\_\_\_

Name of \_\_\_\_\_

Head of Household: \_\_\_\_\_ Unit: \_\_\_\_\_

1. What is the current household size and composition?

Number of Household Members: \_\_\_\_\_

\*If more than 1 household member what is the relationship to the head of household:

2. What are the ages of the household members?

Household Member 1 \_\_\_\_\_

Household Member 2 \_\_\_\_\_

3. What is the total monthly income of the household member(s)?

Head of Household: \_\_\_\_\_

Household Member 2: \_\_\_\_\_

4. What is the monthly rental amount of the unit? \_\_\_\_\_

5. How long has the household lived in the unit? \_\_\_\_\_

6. What is the primary language of the household? -----

7. Do any household member(s) require a special accommodation or moving assistance during their relocation? If yes, describe below.

-----

8. Do you plan to stay with Friends and Family or at the hotel?

9. Does the household have any animals in their unit? If yes, describe below.

I acknowledge and understand that my unit will be renovated and that I will be voluntarily relocating for a limited amount of time in order for this work to be completed.

I have notified or will notify management about any health concerns related to my relocation so that they can assist me in making a special accommodation.

\_\_\_\_\_

Head of Household: \_\_\_\_\_

Signature

Date

Other Household Members: \_\_\_\_\_

Signature

Date

Relocation Manager:

Signature

Date

## 30 DAY TEMPORARY MOVE NOTICE (ADA UNIT)

[DATE]

[RESIDENT NAME]  
[ADDRESS, UNIT #]  
City, State

Dear [RESIDENT NAME]:

On [Date of GIN], you were notified of plans to rehabilitate the property you currently occupy. In order to carry out the rehabilitation, you will be required to move temporarily so the project can be completed.

Your Scheduled move out date is Sunday, 2020

This Notice guarantees you the following: \_\_\_\_\_

You will be required to move temporarily for a period not to exceed 21 days.

1. The temporary unit will be inspected to ensure they are Decent, Safe and Sanitary for your occupancy.
2. You will receive relocation advisory services from -----, which includes relocation counseling and coordination with the moving company.
3. You may be eligible for reimbursement of reasonable out-of-pocket expenses, if incurred.

The address of your temporary unit is:

[Address]

The room is available for you ON: Sunday, 2020.

Upon completion of the rehabilitation, you will be able to return to your current apartment.

The newly rehabilitated apartment will be decent, safe and sanitary and accommodate the number of rooms for your family size. Of course, you must comply with the reasonable terms and conditions of your lease.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. If you elect to move for your own reasons you will not receive any relocation assistance. If you choose not to return to [ADDRESS, UNIT #] after completion of construction, you will not qualify as a displaced person, nor will you be eligible for any further relocation benefits.

If you have any questions, please contact our Relocation Personnel, located at and the telephone number is . Remember; do not move before we have a chance to discuss your eligibility for assistance.

This letter is important to you and should, be retained.

Sincerely,

----- LP

ACKNOWLEDGEMENT of RECEIPT:

Received By: \_\_\_\_\_ Date:

## 30 DAY TEMPORARY MOVE NOTICE (ADA UNIT)

[DATE]

[RESIDENT NAME]  
[ADDRESS, UNIT #]  
City, State

Dear [RESIDENT NAME]:

On [Date of GIN], you were notified of plans to rehabilitate the property you currently occupy. In order to carry out the rehabilitation, you will be required to move temporarily so the project can be completed.

Your Scheduled move out date is Sunday, 2020

This Notice guarantees you the following: \_\_\_\_\_

1. You will be required to move temporarily for a period not to exceed \_\_\_\_\_ days.
2. The temporary unit will be inspected to ensure they are Decent, Safe and Sanitary for your occupancy.
3. You will receive relocation advisory services from the Relocation Consultants, which includes relocation counseling and coordination with the moving company.
4. You may be eligible for reimbursement of reasonable out-of-pocket expenses, if incurred.

The address of your temporary unit is:

[Address]  
The room is available for you ON: Sunday, 2020.

Upon completion of the rehabilitation, you will be able to return to your current apartment.

The newly rehabilitated apartment will be decent, safe and sanitary and accommodate the number of rooms for your family size. Of course, you must comply with the reasonable terms and conditions of your lease.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. If you elect to move for your own reasons you will not receive any relocation assistance. If you choose not to return to [ADDRESS, UNIT #] after completion of construction, you will not qualify as a displaced person, nor will you be eligible for any further relocation benefits.

If you have any questions, please contact our Relocation Personnel, located at \_\_\_\_\_ and the telephone number is \_\_\_\_\_. Remember; do not move before we have a chance to discuss your eligibility for assistance.

This letter is important to you and should, be retained.

Sincerely,

-----LP

ACKNOWLEDGEMENT of RECEIPT:

Received By: \_\_\_\_\_ Date:

GENERAL INFORMATION NOTICE  
RESIDENTIAL TENANT

[DATE]

[RESIDENT NAME]  
[ADDRESS, UNIT #]  
City, State

Dear [RESIDENT NAME]:

Project Name ) is rehabilitating the property you currently occupy at [ADDRESS, UNIT #],

The purpose of this notice is to inform that you will not be displaced in connection with the proposed rehabilitation project.

You will be required to move temporarily so that the rehabilitation can be completed in your unit. You will be moved temporarily into a suitable housing. A professional moving company will be contracted to pack and move your personal property at no cost to you. You will be reimbursed for reasonable out-of-pocket expense incurred due to the temporary move.

You will need to continue to pay your rent and comply with all other lease terms and conditions.

Upon completion of the rehabilitation, you will be able to return to your apartment and continue to lease and occupy your present apartment under reasonable terms and conditions.

PROJECT will comply with all requirements regarding tenant rights outlined in the ----- order), as well as any local ordinances issued by the City to ensure that tenant rights are protected.

If Federal financial assistance is provided for the proposed rehabilitation project, you will be protected by Federal law; Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). One of the URA protections for persons temporarily relocated is that such relocation shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered permanent relocation assistance as a displaced person under the URA.

This assistance would be in addition to any assistance you may have received in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal if you feel that your application for assistance was not properly considered.

We urge you not to move at this time. If you choose to move, you will not be provided relocation assistance.

Please remember:

This is not a notice to vacate the premises.  
This is not a notice of permanent relocation eligibility.

The Owner has retained the professional firm of . to represent it and assist you in the temporary relocation process. If you have any questions about our plans, please contact Relocation Personnel, located at ADDRESS and the telephone number is .

PROJECT will be hosting an information meeting regarding the plans for the rehabilitation of the property. All residents are invited to attend. We will answer any questions you may have and give you as much preliminary information as is available at that time.

Meeting:

Date: [DATE]

Location: [LOCATION]

Time: [TIME]

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance.

Sincerely,

[Name]

[Title]

LP

ACKNOWLEDGEMENT of RECEIPT:

Received By: \_\_\_\_\_ Date: \_\_\_\_\_

NOTICE (ADA UNIT)  
MOVE FROM TEMPORARY DWELLING TO PERMANENT DWELLING

[DATE]

[RESIDENT NAME]  
[ADDRESS, UNIT #]

Dear [RESIDENT NAME]:

In order to complete renovations to your unit at PROJECT it was necessary for you to be temporarily relocated to HOTEL NAME during the rehabilitation.

This is your notice that the renovations to your permanent unit located at [ADDRESS, UNIT #] will soon be completed. It is anticipated that your permanent unit will be ready for occupancy on . The newly renovated apartment will be decent, safe and sanitary and accommodate the number of rooms for your family size according to housing standards. Of course, you must comply with the terms and conditions of your lease.

You have been scheduled to move back to your permanent unit at PROJECT on DATE . The movers are scheduled to drop off your personal items at TIME.

If you have any questions, please contact our Relocation Team located at ADDRESS and the telephone number is .

This letter is important to you and should be retained.

Sincerely,

-----LP

ACKNOWLEDGEMENT of RECEIPT:

Received By: \_\_\_\_\_ Date: \_\_\_\_\_

NOTICE  
MOVE FROM TEMPORARY DWELLING TO PERMANENT DWELLING

[DATE]

[RESIDENT NAME]  
[ADDRESS, UNIT #]

Dear [RESIDENT NAME]:

In order to complete renovations to your unit at PROJECT it was necessary for you to be temporarily relocated to HOTEL NAME during the rehabilitation.

This is your notice that the renovations to your permanent unit located at [ADDRESS, UNIT #] will soon be completed. It is anticipated that your permanent unit will be ready for occupancy on DATE . The newly renovated apartment will be decent, safe and sanitary and accommodate the number of rooms for your family size according to housing standards. Of course, you must comply with the terms and conditions of your lease.

You have been scheduled to move back to your permanent unit at PROJECT on DATE. The movers are scheduled to drop off your personal items at 8:00 A.M.

If you have any questions, please contact our Relocation Team located at ADDRESS and telephone number is -----.

This letter is important to you and should be retained.

Sincerely,

OWNER

ACKNOWLEDGEMENT of RECEIPT:

Received By: \_\_\_\_\_ Date:

NOTICE OF NONDISPLACEMENT  
TO RESIDENTIAL TENANT

[DATE]

[RESIDENT NAME]

[ADDRESS, UNIT #]

Dear [RESIDENT NAME]:

On [Date of GIN], OWNER notified you of proposed plans to rehabilitate the property you currently occupy at [ADDRESS, UNIT #]. Recently, the project was approved and will receive funding. Construction will begin soon.

This is a Notice of Non-displacement. You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to return to your present apartment.
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for reasonable out-of-pocket expense, if incurred. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. You must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact our Relocation Personnel, at ADDRESS and the telephone number is - .

This letter is important to you and should be retained.

Sincerely,

OWNER

ACKNOWLEDGEMENT of RECEIPT:

Received By: \_\_\_\_\_ Date:

This is a notice of when you will need to move out of your apartment for construction. The dates you will need to move out are:

Unit: # \_\_\_\_\_  
Move Out: //2021 7:00am  
Move In: //2021 5:00pm

Instructions:

1. All items need to be removed from the kitchen countertops, cabinets, walls and floors and placed in the living room or bedroom. Remove any filters, sprayers or other attachments to your sinks that you wish to keep. On-site maintenance personnel will be available to help tenants who need assistance.
2. All items need to be removed from the bathroom cabinets, countertops, medicine cabinets, bathtubs, walls floors and moved into living rooms or bedrooms.
3. Remove all items including pictures, shelves, etc. from living room, bedroom, hall, kitchen and bath walls.
4. Pack any fragile items in boxes and store in either your living room or bedroom. Please REMOVE any items of extra value or sentiment from the unit.
5. There must be a clear pathway left from the front door to the kitchen bathrooms and windows.
6. Closets and closet floors need to be clear of all items.
7. Water to the unit will be turned off at 7:00a.m. the day of move-out.
8. There will be no access to your apartment during construction, so please take anything you will need with you for the time you will be away. As you are not able to access your unit please bring all required medications, lotions, ointments or other critical items that you may need during the construction period.
9. Please REMOVE all prescription medications from the unit.
10. Take ANY and ALL items with you that you believe are valuable; such items may include cash, jewelry, etc. The Owner, Management Company and/or Contractor will not be responsible for any lost or damaged items.
11. We will complete the majority of renovation work during these days however we may need additional access to your unit for which you will be notified.
12. Remove any personal shower curtains.

Thank you in advance for your cooperation while we are working in your homes!

## Renovation Information

Unit: 020  
Move Out: //2020 7:00am  
Move In: //2020 5:00pm

# MARK YOUR CALENDARS

This is an early notice of when you will need to move out of your apartment for construction. The dates you will need to move are:

Move Out: //2021 @ 7:00am

Move In: \_\_\_\_ //2021 @ 5:00pm

You will receive notification again before your move out date with instructions as to what needs to be moved within your apartment in order for the work to be completed.

Thank you in advance for your cooperation while we are renovating your homes!

## RELOCATION FAQ'S

As a reminder, you will be required to move out of your unit while it is renovated. Please see below for FAQ's related to the relocations.

### 1. DO I HAVE TO PACK EVERYTHING IN MY UNIT?

Each unit must be packed and fully evacuated while the work is being done, and Management will provide movers and assistance as needed throughout the process. You will be provided with small boxes to pack valuables, essentials, medications, and important documentation; and the rest of the items can be packed by a bonded and insured professional moving company.

### 2. WHEN SHOULD I START PACKING?

Please start packing 30 days in advance of your move out date as specified on your Relocation Letter. Please keep your important or daily items available for use during this time.

### 3. WHAT SHOULD I PACK FOR THE RELOCATION?

- \_ Packing materials are available to prepare your fragile, valuable and personal items.
- \_ You may pack as much as you wish.
- \_ We will have movers available to pack any remaining items.
- \_ Remove all food out of the refrigerator. All refrigerators will be discarded and new refrigerators will be provided.

Make arrangements for any personal appliances such as refrigerators, stoves, air conditioners, etc. to be removed. \* All appliances left in the unit will be discarded.

\*Except the temporary heaters provided by management.

Pack enough personal items such as medications, clothing, wallets/purses, personal hygiene items, cell phones, money, bill/documents, and any other important belongings

### 4. HOW WILL MY BELONGINGS BE PACKED AND STORED?

Management will provide you with packing materials. Please pack any fragile, valuable, and personal items in advance. Management will coordinate to have movers pack any remaining belongings on your packing date. Movers will come to your unit on your scheduled packing date to pack your items. You may remain in your unit on this day as they work and pack in your unit. Your belongings will be stored for the duration of your relocation and moved into your unit once the work is complete.

Management will not be responsible for valuable items lost, broken, or stolen during the moving process. It is the resident's responsibility to remove any items in question to a location they consider to be safe and secure. If you have any large valuable items please talk with Management about a solution for storing these items securely. Any items left in the unit for the movers to relocate will be moved with the utmost care but it will

be assumed that the resident is okay with a third-party moving company moving, transporting, and placing them in non-temperature-controlled storage as needed.

**5. WHAT TIME SHOULD I BE OUT OF MY APARTMENT ON MY MOVE OUT DATE?**

You have received a Relocation Letter from management that lists your unit renovation move out date and time. Please talk to management if you have any questions.

**6. WILL I BE ALLOWED TO RETURN TO MY UNIT DURING THE RENOVATION PROCESS?**

No. For safety and security reasons you will have no access to the unit between the move-out date and return date. For this reason, it is critical that you bring all items with you that are important to your health and safety such as medications, prescriptions, money, etc.

**7. HOW LONG WILL I BE OUT OF MY APARTMENT?**

You have received a Relocation Letter and Move-Back Notice from management that lists your unit renovation date and return dates. Please talk to management if you have any questions.

**8. WHAT TIME CAN I MOVE BACK INTO MY APARTMENT ON MY RETURN DATE?**

You have received a Relocation Letter from management that lists your unit renovation return date and time. Please talk to management if you have any questions.

# PROJECT

DATE: \_\_\_\_\_

UNIT #:

Dear Resident:

This Relocation Letter will provide important information regarding your upcoming unit renovation and relocation. We ask that you read the important information below, complete the "Relocation Information" form attached and return it to the management office by \_\_\_\_\_. Management will be meeting with you at least thirty (30) days prior to your move-out date.

## PACKING INFORMATION

Packing materials are available to prepare your fragile, valuable and personal items. You may pack as much as you wish.

We will have movers available to pack any remaining items.

Remove all food out of the refrigerator. All refrigerators will be discarded and new refrigerators will be provided.

- o Make arrangements for any personal appliances such as refrigerators, stoves, air conditioners, etc. to be removed.\* All appliances left in the unit will be discarded.

\*Except the temporary heaters provided by management.

Pack enough personal items with you to stay for: \_\_\_\_\_ nights. Items such as:

- o Medications
- o Clothing
- o Wallets/purses
- o Personal hygiene items
- o Cell phones
- o Money
- o Bills/Documents
- o Any other important documents

## IMPORTANT INFORMATION

Movers packing DATE: \_\_\_\_\_

Unit renovation move-out DATE: \_\_\_\_\_ at \_\_\_\_\_ AM/PM.

Your return DATE:

RESIDENT RELOCATION INFORMATION

THIS PAGE IS MANDATORY AND MUST BE COMPLETED AND RETURNED TO THE MANAGEMENT OFFICE BY: \_\_\_\_\_

1. Relocation Option:

Y I am staying at the [Name of Temporary Relocation Hotel] ([Address of Temporary Relocation Hotel]) with \$---.00 per resident each day for food.

2. Contact Phone Number for Resident: \_\_\_\_\_

3. Emergency Contact Phone Number for Resident: \_\_\_\_\_

If you have any questions, please contact me in the office at PHONE or at EMAIL

We are grateful for your continued support and patience during this exciting time as we upgrade our mutual home and community.

Thank you,



**Contractor Experience, Protocols and Policies**

The developer has worked or is working four projects with Empire Construction since 2018. Of the four projects, two are completed, one is underway, and the proposed Hopewell Heights transaction is in far along in pre-development. Two of the projects have been during the COVID-19 era. Please see attached GC resume.

A large, light blue stylized checkmark graphic is positioned in the bottom right corner of the page, partially overlapping the contact information.

105 Tallapoosa St., Suite 300  
Montgomery, Alabama 36104

334.954.4458 **O** | 334.954.4496 **F** | [WWW.ENVOLVCOMMUNITIES.COM](http://WWW.ENVOLVCOMMUNITIES.COM)



**HOPEWELL HEIGHTS - MID-RISE**

4105 OLD IRON COURT, HOPEWELL, VA

# OF BLDGS: 2

QAP YEAR

PREPARED FOR:

# OF APTS: 100

2020

ENVOLVE

SOV DATE :

5/19/21

SCOPE OF WORK DESCRIPTION		QUANTITY	UNIT	PRICE/UNIT	PRICE
<b>MASONRY</b>					<b>\$ 67,500</b>
	MASONRY CLEANING - PRESSURE WASH BRICK	1	BLDG	\$ 10,000.00	\$ 10,000
ALLOWANCE	BRICK VENEER MASONRY - TUCKPOINTING ALLOWANCE	1	BLDG	\$ 5,000.00	\$ 5,000
	BRICK VENEER MASONRY - CUT OPENING FOR NEW PTAC	105	EA	\$ 500.00	\$ 52,500
<b>ROUGH CARPENTRY</b>					<b>\$ 48,282</b>
ALLOWANCE	FURR-OUT BIFOLD DOOR OPENING TO SWING	395	EA	\$ 65.27	\$ 25,782
ALLOWANCE	FIBER CEMENT SIDING - REPAIRS ONLY	1	LS	\$ 7,500.00	\$ 7,500
	SEALANTS & CAULKING - AIR SEAL	100	EA	\$ 150.00	\$ 15,000
<b>FINISH CARPENTRY</b>					<b>\$ 27,500</b>
WAIVER	BASEBOARD - 4-1/4" BASE (ONLY IN KITCHEN & BATHS)	100	APT	\$ 275.00	\$ 27,500
<b>ROOFING</b>					<b>\$ 412,794</b>
	THERMOPLASTIC POLYOLEFIN ROOFING (TPO) - W/ R-25 INSULATION	186	SQ	\$ 2,219.32	\$ 412,794
<b>SHEET METAL</b>					<b>\$ 36,720</b>
	FLASHING AND TRIM;PARAPET COPING/TRIM FOR TPO ROOF	1,125	LF	\$ 32.64	\$ 36,720
<b>DOORS</b>					<b>\$ 112,492</b>
	BIFLOD DOORS --> SWING DOORS;REPLACE WITH SWING DOORS	395	EA	\$ 189.30	\$ 74,774
ALLOWANCE	INTERIOR PREHUNG DOORS (QTY 315 TOTAL, 10% IS 32);REPAIR DAMAGED, 10% REPLACE	32	EA	\$ 189.30	\$ 6,058
	DOOR HARDWARE (APT ENTRY) - LEVER, GRADE 3, KWIK SET	100	EA	\$ 84.86	\$ 8,486
	DOOR HARDWARE (INTERIOR) - INTERIOR LEVER, GRADE 3, KWIK SET	710	EA	\$ 32.64	\$ 23,174
<b>DRYWALL</b>					<b>\$ 73,500</b>
	DRYWALL - REPAIR/TRADE CUTS IN APARTMENT UNITS	100	APT	\$ 400.00	\$ 40,000
ALLOWANCE	DRYWALL - TRADE CUTS (CORRIDOR REPAIRS DUE TO TRADE CUTS)	6	EA	\$ 1,000.00	\$ 6,000
	DRYWALL - MISC WALL PREP	100	APT	\$ 275.00	\$ 27,500
<b>RESILIENT FLOORING</b>					<b>\$ 74,500</b>
ALLOWANCE	FLOORING - DEMO (KITCH & BATH ONLY, NO PLYWD);DEMO EXISTING FLOOR TO CONC. SUBSTRATE	100	APT	\$ 100.00	\$ 10,000
	RESILIENT FLOORING - VINYL PLANK FLOATING;FLOATING - KITCHEN & BATH ONLY	100	APT	\$ 645.00	\$ 64,500
<b>PAINTING AND DECORATING</b>					<b>\$ 197,250</b>
	PAINTING (EXT.) - PAINT RAILINGS, SIDING, SITE RAILING	1	LS	\$ 75,250.00	\$ 75,250
	PAINTING (INT.) - KITCHEN, BATH, TRADE CUTS, NEW DOORS	100	APT	\$ 1,160.00	\$ 116,000
ALLOWANCE	PAINTING (INT.) - CORRIDOR - PAINT TRADE CUTS ONLY	6	EA	\$ 1,000.00	\$ 6,000
<b>SPECIALTIES</b>					<b>\$ 46,288</b>
ALLOWANCE	BUILDING SIGNAGE	1	LS	\$ 5,000.00	\$ 5,000
	INTERIOR SIGNAGE - BRAILLE INCLUDED & CONTRASTING COLORS	100	EA	\$ 95.00	\$ 9,500
	BATH ACCESSORIES -FULL BATH (TWL BAR, TP, SHWR ROD) - BRUSHED NICKL	100	EA	\$ 145.44	\$ 14,544
	MEDICINE CABINET W/ MIRROR (SURFACE MOUNT)	100	EA	\$ 104.44	\$ 10,444
	SPLASH GUARDS FOR RANGES (SIDE WALL ONLY)	100	EA	\$ 68.00	\$ 6,800
<b>SPECIAL EQUIPMENT</b>					<b>\$ 150,000</b>
ALLOWANCE	FIRE / SMOKE DETECTION ;FIRE ALARM SYSTEM, NO UNIT SMOKES	1	LS	\$ 150,000.00	\$ 150,000
<b>CABINETS</b>					<b>\$ 289,164</b>
ALLOWANCE	RES. CASEWORK- KITCHEN CAB & CNTR TOPS	100	APT	\$ 2,500.00	\$ 250,000
	RES. CASEWORK - BATHRM VANITIES	100	EA	\$ 391.64	\$ 39,164
<b>APPLIANCES</b>					<b>\$ 154,201</b>
	REFRIGERATOR (14-16 CF) - E-STAR, NO ICE MAKER, BLACK/WHITE	100	EA	\$ 757.18	\$ 75,718
	RANGE (30" ELECTRIC) - STANDARD CLEAN, REAR CONTROL, BLACK/WHITE	100	EA	\$ 554.83	\$ 55,483
	RANGE HOOD (30") - VENTED, NOT E-STAR (TIE INTO EXISTING VENT), WHITE	100	EA	\$ 230.00	\$ 23,000

**HOPEWELL HEIGHTS - MID-RISE**

4105 OLD IRON COURT, HOPEWELL, VA

# OF BLDGS: 2

QAP YEAR

PREPARED FOR:

# OF APTS: 100

2020

ENVOLVE

SOV DATE :

5/19/21

	SCOPE OF WORK DESCRIPTION	QUANTITY	UNIT	PRICE/UNIT	PRICE
	<b>SPECIAL CONSTRUCTION</b>				<b>\$ 179,533</b>
ALLOWANCE	ACCESSIBLE UNITS - UPGRADES (5% OF QTY 150 UNITS)	8	EA	\$ 12,500.00	\$ 100,000
ALLOWANCE	SIGHT & HEARING IMPAIRED - UPGRADES (2% OF QTY 150 UNITS)	2	EA	\$ 1,600.00	\$ 3,200
ALLOWANCE	NURSE CALL SYSTEMS - IN ADA & SHA UNITS	1	EA	\$ 50,000.00	\$ 50,000
	LEASING OFFICE UPGRADES (SCOPE DETAILED ON DRAWINGS)	1	LS	\$ 18,500.00	\$ 18,500
	RANGE QUEENS - MAGNETIC, UNDER RANGE HOOD	100	EA	\$ 78.33	\$ 7,833
	<b>ELEVATORS</b>				<b>\$ 120,000</b>
ALLOWANCE	ELEVATOR EQUIPMENT UPGRADE	2	LS	\$ 60,000.00	\$ 120,000
	<b>PLUMBING AND HOT WATER</b>				<b>\$ 289,719</b>
	DOMESTIC WATER HEATERS (ELECTRIC) - .95EF/92UEF & PAN	100	EA	\$ 890.00	\$ 89,000
	KITCHEN SINK - SNGL BASIN, 22 GA., UP TO 6-9/16" DEEP	100	EA	\$ 232.38	\$ 23,238
	KITCHEN FAUCET, SUPPLIES, TRIM (BRUSHED NICKEL, WATERSENSE)	100	EA	\$ 231.08	\$ 23,108
	KITCHEN DISPOSALS - 1/3 HP	100	EA	\$ 176.24	\$ 17,624
	WATER CLOSET - WATERSENSE (SPEC: GERBER)	100	EA	\$ 312.00	\$ 31,200
	VANITY TOP - CULTURED MARBLE W/ INTEGRATED OVERFLOW	100	EA	\$ 189.30	\$ 18,930
	LAVATORY FAUCET, SUPPLIES, TRIM (BRUSHED NICKEL, WATERSENSE)	100	EA	\$ 186.69	\$ 18,669
	BATHTUB DIVERTER (BRUSHED NICKEL)	100	EA	\$ 364.23	\$ 36,423
	BATHTUB VALVE REMODEL PLATE; BRUSHED NICKEL (TUB & SURROUND TO REMAIN)	100	EA	\$ 65.27	\$ 6,527
	BATHTUB CLEANING - CLEAN TUBS & SURROUNDS	100	EA	\$ 250.00	\$ 25,000
	<b>AIR CONDITIONING</b>				<b>\$ 506,500</b>
	PACKAGED SYSTEMS (REPLACE 1 OF 2);ROOF TOP UNIT, REINSULATE ROOF DUCTWORK	1	LS	\$ 35,000.00	\$ 35,000
	PTAC'S;REPLACE AT EXISTING LOCATION (NO DUCTWORK KIT)	100	APT	\$ 2,300.00	\$ 230,000
	PTAC'S - ADD NEW IN BEDROOM;CONDENSATE DRIP TO EXTERIOR, NO PIPING	105	APT	\$ 2,300.00	\$ 241,500
	<b>ELECTRICAL</b>				<b>\$ 253,971</b>
ALLOWANCE	ELECTRICAL WIRING, BREAKERS, PANELS - ADD 240V CIRCUIT FOR ADD'L PTAC	105	EA	\$ 391.64	\$ 41,122
	ELECTRICAL DEVICES - NEW GFCI'S IN KITCHEN & BATH(S) (AT EXISTING ELEC BOXES)	100	APT	\$ 275.00	\$ 27,500
	INTERIOR LIGHTING - ALL LED, SCREW-IN LED BULBS	100	APT	\$ 783.29	\$ 78,329
	EXTERIOR LIGHTING (UNIT) - AT PATIO	100	EA	\$ 143.60	\$ 14,360
	INTERIOR LIGHTING (UNIT) - CORRIDOR LIGHTING OUTSIDE @ APT ENTRY	100	EA	\$ 143.60	\$ 14,360
	FIRE/SMOKE DETECTION - SMOKE/CO ONLY - EXISTING HRDWRD & INTRCNCTD, DEVICE ONLY	205	EA	\$ 95.38	\$ 19,553
	STRUCTURED CABLING - CABLE OUTLET IN LR & BR'S	100	APT	\$ 587.47	\$ 58,747
	<b>LAND IMPROVEMENT</b>				<b>\$ 223,599</b>
	<b>EARTHWORK</b>				<b>\$ 5,000</b>
	CRANES AND HOISTS;FOR HVAC ROOFTOP EQUIPMENT	1	LS	\$ 5,000.00	\$ 5,000
	<b>SITE UTILITIES</b>				<b>\$ 20,000</b>
ALLOWANCE	JET & CAMERA SEWER LINES	1	LS	\$ 20,000.00	\$ 20,000
	<b>ROADS AND WALKS:</b>				<b>\$ 170,039</b>
	CONCRETE FOR VEHICULAR AREA - DUMPSTER PAD & APPROACH (QTY 1 DBL, 26'X24')	624	SF	\$ 20.00	\$ 12,480
	CONCRETE FOR VEHICULAR AREA - HC SPACES	2,463	SF	\$ 20.00	\$ 49,260
ALLOWANCE	ASPHALT PAVING - DIG OUT & REPAIR	1,000	SF	\$ 9.00	\$ 9,000
ALLOWANCE	ADD'L ASPHALT PAVING - DIG OUT & REPAIR (ACCESS ROAD)	1,500	SF	\$ 9.00	\$ 13,500
	SPECIAL AREA SURFACING - SEAL COAT,STRIPE (ACCESS ROAD NOT INC, SEE NOTE)	52,000	SF	\$ 0.65	\$ 33,800
	ADD'L SPECIAL AREA SURFACING - SEAL COAT,STRIPE (ACCESS ROAD)	17,500	SF	\$ 0.65	\$ 11,375
	<b>SIDEWALKS, STEPS, HANDRAILS, ETC.</b>				<b>\$ 40,624</b>
ALLOWANCE	CONCRETE SIDEWALKS - ACCESIBLE ROUTES	2,087	SF	\$ 15.50	\$ 32,349



**HOPEWELL HEIGHTS - MID-RISE**

4105 OLD IRON COURT, HOPEWELL, VA

# OF BLDGS: 2

QAP YEAR

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# OF APTS: 100

2020

ENVOLVE

SOV DATE : 5/19/21

SCOPE OF WORK DESCRIPTION		QUANTITY	UNIT	PRICE/UNIT	PRICE
ALLOWANCE	CONCRETE SIDEWALKS - R&R EXISTING (NON-ACCESSIBLE ROUTE)	500	SF	\$ 13.55	\$ 6,775
ALLOWANCE	CONCRETE SIDEWALKS - CURB CUTS ON ACESIBLE ROUTES	1	EA	\$ 1,500.00	\$ 1,500
<b>SITE IMPROVEMENTS:</b>					<b>\$ 18,560</b>
<b>FENCES, WALLS, ETC.</b>					<b>\$ 6,560</b>
	FENCES & GATES - DUMPSTER ENCLOSURE (3 SIDED, NO GATE)	1	EA	\$ 4,500.00	\$ 4,500
	METAL BOLLARDS	4	EA	\$ 515.00	\$ 2,060
<b>STREET &amp; ENTRANCE SIGNS</b>					<b>\$ 12,000</b>
ALLOWANCE	MONUMENT SIGNAGE - TWO COLUMNS W/ "FLOATING" SIGN	1	LS	\$ 12,000.00	\$ 12,000
<b>MISCELLANEOUS</b>					<b>\$ -</b>
<b>LAWNS AND PLANTINGS:</b>					<b>\$ 10,000</b>
ALLOWANCE	TREE TRIMMING/REMOVAL	1	LS	\$ 5,000.00	\$ 5,000
ALLOWANCE	GRADING/DRAINAGE - POSITIVE DRAINAGE, SEED/STRAW	1	BLDG	\$ 5,000.00	\$ 5,000
<b>CONSTRUCTION HARD COST:</b>					<b>\$ 3,263,513</b>
GENERAL CONDITIONS = \$170,848; P&P BOND = \$23,605				6%	\$ 195,811
OVERHEAD				2%	\$ 65,270
PROFIT				6%	\$ 195,811
<b>TOTAL WITH CONTRACTOR FEE:</b>					<b>\$ 3,720,405</b>
BUILDERS RISK					\$ -
CONTRACTOR'S COST CERTIFICATION					\$ 10,000
PERMITS					\$ 35,500
CONTINGENCY					\$ -
<b>TOTAL CONTRACT AMOUNT:</b>					<b>\$ 3,765,905</b>

HARD COST PRICE PER APT:	\$ 32,635
TOTAL PRICE PER APT:	\$ 37,659

**NOTES/CLARIFICATIONS:**

- 1 ABOVE PRICING EXCLUDES ENVIRONMENTAL ABATEMENT OF ANY KIND
- 2 ABOVE PRICING EXCLUDES ANY WORK TO THE TRASH CHUTE & TRASH COMPACTOR
- 3 MAINTENANCE ROOM UPGRADES NOT INCLUDED
- 4 ABOVE PRICING EXCLUDES REPLACEMENT OF PLUMBING ANGLE STOPS
- 5 ABOVE PRICING EXCLUDES REPLACEMENT OF APARTMENT UNIT BATH FAN, GRILL, DUCTWORK, AND ROOF TOP VENT FAN
- 6 ABOVE PRICING EXCLUDES ADDING OR MODIFYING EXISTING CONDENSATE DRAIN LINES FOR PTAC UNITS
- 7 EMPIRE ASSUMES THERE IS ENOUGH ROOM AND CAPACITY IN ELECTRICAL PANEL FOR NEW PTAC ELECTRICAL LOAD
- 8 ABOVE PRICING EXCLUDES SITE AND BUILDING LIGHTING
- 9 ABOVE PRICING EXCLUDES REPLACEMENT OF GENERATOR AND EMERGENCY SYSTEM
- 10 ABOVE PRICING EXCLUDES REPLACEMENT OF ELECTRICAL OUTLETS AND COVER PLATES. ABOVE PRICING INCLUDES REPLACEMENT OF GFCI OUTLETS & COVER PLATES.

**EMPIRE'S SPECIFICATIONS/SUBSTITUTIONS - THE ABOVE PRICING IS BASED ON THE PROJECT SPECIFICATIONS & THE FOLLOWING ITEMS BELOW:**

- 1 INTERIOR HOLLOW CORE DOORS BY STEVE'S, JELDWEN, AND/OR MASONITE
- 2 METAL DOORS BY MASONITE, JELDWEN, AND/OR MESKER
- 3 VINYL WINDOWS MANUFACTURED BY ALSIDE, VIWINTech, MGM, M.I., SILVERLINE, PLYGEM AND/OR COMFORT VIEW
- 4 SHINGLES BY TAMKO, GAF, AND/OR OWENS CORNING
- 5 FLOORING PRODUCTS BY MOHAWK, SHAW, TARKETT, AND/OR FISHMAN
- 6 BATHROOM ACCESSORIES BY PAMEX
- 7 INTERIOR DOOR HARDWARE BY PAMEX AND/OR DELANEY
- 8 MEDICINE CABINETS BY AMERICAN PRIDE OR JENSEN
- 9 PLUMBING FIXTURES BY CFG, MOEN, AND/OR PROFLO



**HOPEWELL HEIGHTS - MID-RISE**

4105 OLD IRON COURT, HOPEWELL, VA

# OF BLDGS: 2

QAP YEAR

PREPARED FOR:

# OF APTS: 100

**2020**

**ENVOLVE**

SOV DATE :

5/19/21

SCOPE OF WORK DESCRIPTION	QUANTITY	UNIT	PRICE/UNIT	PRICE
10 LIGHTING FIXTURES BY SEAGULL, EFFICIENT, AND/OR PROGRESS				
11 APPLIANCES BY FRIGIDAIRE AND/OR GE				
12 PAINT BY SHERWIN WILLIAMS				
13 HVAC UNITS BY CARRIER AND/OR GOODMAN				



**HOPEWELL HEIGHTS - TOWNHOMES**

4105 OLD IRON COURT, HOPEWELL, VA 23860

# OF BLDGS: 8

QAP YEAR

PREPARED FOR:

# OF APTS: 50

2020

ENVOLVE

SOV DATE :

5/19/21

SCOPE OF WORK DESCRIPTION		QUANTITY	UNIT	PRICE/UNIT	PRICE
<b>MASONRY</b>					<b>\$ 8,000</b>
	MASONRY CLEANING - PRESSURE WASH BRICK	8	BLDG	\$ 1,000.00	\$ 8,000
<b>ROUGH CARPENTRY</b>					<b>\$ 24,742</b>
	FURR-OUT BIFOLD DOOR OPENING TO SWING	80	EA	\$ 65.27	\$ 5,222
	SHEATHING - FLOOR (2ND FLOOR ONLY); INST'L 1/4" PLYWD UNDRLYMNT IN BATHROOMS ONLY	4,760	SF	\$ 2.00	\$ 9,520
	SEALANTS & CAULKING - AIR SEAL	50	EA	\$ 200.00	\$ 10,000
<b>FINISH CARPENTRY</b>					<b>\$ 14,145</b>
WAIVER	BASEBOARD - 4-1/4" BASE - BATH & KITCHEN ONLY (EXISTING IS VINYL BASE)	3,282	LF	\$ 4.31	\$ 14,145
<b>INSULATION</b>					<b>\$ 39,172</b>
	INSULATION - R-38 BLOWN INSULATION IN ATTIC	35,290	SF	\$ 1.11	\$ 39,172
<b>SHEET METAL</b>					<b>\$ 6,200</b>
	GUTTERS (5") & DOWNSPOUTS (2"X3") (DETACHED STORAGE SHED ONLY)	1,000	LF	\$ 6.20	\$ 6,200
<b>DOORS</b>					<b>\$ 51,690</b>
	BIFOLD --> SWING DOORS; REPLACE WITH SWING DOORS	80	EA	\$ 189.30	\$ 15,144
	INTERIOR PREHUNG DOORS ; REPAIR DAMAGED (TOTAL 416, 10% IS 42) 10% REPLACEMENT	42	EA	\$ 189.30	\$ 7,951
	DOOR FINISH HARDWARE - EXTERIOR (ENTRY) - LEVER, GRADE 3, KWIKSET	50	EA	\$ 96.61	\$ 4,831
	DOOR FINISH HARDWARE - EXTERIOR (STORAGE) - LEVER, GRADE 3, KWIKSET	50	EA	\$ 86.81	\$ 4,341
	DOOR FINISH HARDWARE - INTERIOR LEVER, GRADE 3	496	EA	\$ 39.16	\$ 19,423
<b>DRYWALL</b>					<b>\$ 50,000</b>
ALLOWANCE	DRYWALL - ATTIC DRAFT STOPS - REPAIR ALLOWANCE	1	LS	\$ 20,000.00	\$ 20,000
	DRYWALL - REPAIR/TRADE CUTS	50	APT	\$ 325.00	\$ 16,250
	DRYWALL - MISC WALL PREP (BATH, TRADE CUT AREAS)	50	APT	\$ 275.00	\$ 13,750
<b>RESILIENT FLOORING</b>					<b>\$ 84,533</b>
	FLOORING - DEMO/PREP EXISTING FLOORING IN KITCHEN & BATH ONLY	16,010	SF	\$ 0.65	\$ 10,407
	FLOORING (VINYL PLANK) - OVERLAY, FLOATING (KITCHEN & BATHS ONLY)	16,010	SF	\$ 4.63	\$ 74,126
<b>PAINTING AND DECORATING</b>					<b>\$ 54,250</b>
	PAINTING (INT.) - PAINT KITCHEN & BATHS ONLY, NEW DOORS, MISC. TRADE CUTS	50	APT	\$ 1,085.00	\$ 54,250
<b>SPECIALTIES</b>					<b>\$ 24,963</b>
	BUILDING SIGNAGE	8	BLDG	\$ 650.00	\$ 5,200
	BATH ACCESSORIES; FULL BATH (TWL BAR, TP, SHWR ROD) - BRUSHED NICKEL	56	EA	\$ 145.44	\$ 8,145
	BATH ACCESSORIES; HALF BATH (TWL BAR, TP).BRUSHED NICKEL	12	EA	\$ 93.00	\$ 1,116
	BATH ACCESSORIES; MEDICINE CABINET W/ MIRROR (SURFACE MOUNT)	68	EA	\$ 104.44	\$ 7,102
	SPLASH GUARDS FOR RANGES; SIDE WALL ONLY (BACK WALL NOT VHDA REQ)	50	EA	\$ 68.00	\$ 3,400
<b>CABINETS</b>					<b>\$ 176,763</b>
	KITCHEN CABINETS (SOLID WOOD/PLYWOOD) & COUNTERTOPS (LAMINATE PLYWOOD)	50	EA	\$ 3,002.61	\$ 150,131
	BATHROOM VANITY CABINETS; BATH VANITY ONLY	68	EA	\$ 391.64	\$ 26,632
<b>APPLIANCES</b>					<b>\$ 3,250</b>
	RANGE HOOD - DETACH & RESET EXISTING RANGE HOOD	50	EA	\$ 65.00	\$ 3,250
<b>SPECIAL CONSTRUCTION</b>					<b>\$ 5,517</b>
	RANGE QUEENS - MAGNETIC, UNDER RANGE HOOD	50	EA	\$ 78.33	\$ 3,917
	SIGHT & HEARING IMPAIRED - UPGRADES (2% OF 150 UNITS)	1	EA	\$ 1,600.00	\$ 1,600
<b>PLUMBING AND HOT WATER</b>					<b>\$ 180,549</b>
	DOMESTIC WATER HEATERS (ELECTRIC) - .95EF/92UEF & PAN	50	EA	\$ 890.00	\$ 44,500
	KITCHEN SINK - DBL BASIN, 22 GA., UP TO 6" DEEP (DEMO/ABANDON GARBAGE DISPOSAL)	50	EA	\$ 232.38	\$ 11,619
	KITCHEN FAUCET, SUPPLIES, TRIM (BRUSHED NICKEL) - WATERSENSE	50	EA	\$ 231.08	\$ 11,554



**HOPEWELL HEIGHTS - TOWNHOMES**

4105 OLD IRON COURT, HOPEWELL, VA 23860

# OF BLDGS: 8

QAP YEAR

PREPARED FOR:

# OF APTS: 50

2020

ENVOLVE

SOV DATE :

5/19/21

SCOPE OF WORK DESCRIPTION	QUANTITY	UNIT	PRICE/UNIT	PRICE
WATER CLOSET - WATERSENSE (SPEC - GERBER)	68	EA	\$ 312.00	\$ 21,216
VANITY TOP - CULTURED MARBLE W/ INTEGRATED OVERFLOW	68	EA	\$ 189.30	\$ 12,872
LAVATORY FAUCET, SUPPLIES, TRIM (BRUSHED NICKEL) - WATERSENSE	68	EA	\$ 186.69	\$ 12,695
BATHTUB DIVERTER (BRUSHED NICKEL)	56	EA	\$ 364.23	\$ 20,397
TUB VALVE REMODEL PLATE - (BRUSHED NICKEL; TUB & SURROUND TO REMAIN)	56	EA	\$ 65.27	\$ 3,655
LEAK SENSOR @ WASHING MACHINE (VHDA)	50	EA	\$ 395.00	\$ 19,750
RATED WASHER BOX	50	EA	\$ 195.82	\$ 9,791
BATHTUB CLEANING - CLEAN TUBS & SURROUNDS	50	EA	\$ 250.00	\$ 12,500
<b>HEAT AND VENTILATION</b>				<b>\$ 34,280</b>
CENTRIFUGAL HVAC FANS - BATH FAN (NO LIGHT)	68	EA	\$ 210.00	\$ 14,280
DUCTWORK - CLEANING	50	APT	\$ 400.00	\$ 20,000
<b>AIR CONDITIONING</b>				<b>\$ 139,500</b>
SPLIT SYSTEMS (ELEC HEAT PUMPS) - 50%, USE EXISTING DUCT, REF. LINES, COND. DRAIN	25	APT	\$ 5,580.00	\$ 139,500
<b>ELECTRICAL</b>				<b>\$ 121,798</b>
ELECTRICAL DEVICES - NEW GFCI'S IN KITCHEN & BATH(S) (AT EXISTING ELEC BOXES)	50	APT	\$ 275.00	\$ 13,750
INTERIOR LIGHTING - ALL LED, SCREW-IN LED BULBS	50	APT	\$ 915.00	\$ 45,750
CEILING FANS - EXISTING IN LIVING ROOM IN 3BR & 4BR ONLY	18	EA	\$ 210.00	\$ 3,780
EXTERIOR LIGHTING (UNIT) - AT FRONT & BACK ENTRY	100	EA	\$ 143.60	\$ 14,360
FIRE/SMOKE DETECTION - SMOKE ONLY - EXISTING HRDWRD & INTRCNCTD, DEVICE ONLY	224	EA	\$ 66.00	\$ 14,784
STRUCTURED CABLING - CABLE OUTLET IN LR & BR'S	50	APT	\$ 587.47	\$ 29,374
<b>LAND IMPROVEMENT</b>				<b>\$ 205,719</b>
<b>SITE UTILITIES</b>				<b>\$ 10,000</b>
JET & CAMERA SEWER LINES	1	LS	\$ 10,000.00	\$ 10,000
<b>ROADS AND WALKS:</b>				<b>\$ 129,659</b>
CONCRETE FOR VEHICULAR AREA - DUMPSTER PAD & APPROACH (QTY 2)	639	SF	\$ 20.00	\$ 12,780
CONCRETE OR VEHICULAR AREA - HC SPACES (1HC @ PLAYGROUND)	370	SF	\$ 20.00	\$ 7,400
ALLOWANCE ASPHALT PAVING - DIG OUT & REPAIR	1,000	SF	\$ 9.00	\$ 9,000
SPECIAL AREA SURFACING - SEAL COAT & STRIPE (INCL. U-CHANNEL POST & HC SIGNS)	46,100	SF	\$ 0.65	\$ 29,965
<b>SIDEWALKS, STEPS, HANDRAILS, ETC.</b>				<b>\$ 70,514</b>
CONCRETE SIDEWALKS - ACCESIBLE ROUTES	3,097	SF	\$ 15.50	\$ 48,004
ALLOWANCE CONCRETE SIDEWALKS - R&R EXISTING (NON-ACCESSIBLE ROUTE)	1,000	SF	\$ 13.55	\$ 13,550
CONCRETE SIDEWALKS - CURB CUTS ON ACCESIBLE ROUTES	3	EA	\$ 1,500.00	\$ 4,500
CONCRETE SIDEWALKS - NEW CROSSWALKS	223	SF	\$ 20.00	\$ 4,460
<b>SITE IMPROVEMENTS:</b>				<b>\$ 44,060</b>
<b>FENCES, WALLS, ETC.</b>				<b>\$ 8,060</b>
FENCES & GATES - DUMPSTER ENCLOSURE (3 SIDED, NO GATE)	2	EA	\$ 3,000.00	\$ 6,000
METAL BOLLARDS	4	EA	\$ 515.00	\$ 2,060
<b>MISCELLANEOUS</b>				<b>\$ 36,000</b>
ALLOWANCE PLAYGROUND EQUIPMENT - NEW EQUIPMENT, ENGINEERED WOOD MULCH, BLACK PLASTIC BORDER, 2 BENCHE	1	LS	\$ 36,000.00	\$ 36,000
<b>LAWNS AND PLANTINGS:</b>				<b>\$ 22,000</b>
ALLOWANCE TREE TRIMMING/REMOVAL	1	LS	\$ 10,000.00	\$ 10,000
ALLOWANCE GRADING/DRAINAGE - POSITIVE DRAINAGE, SEED/STRAW	8	BLDG	\$ 1,500.00	\$ 12,000
<b>CONSTRUCTION HARD COST:</b>				<b>\$ 1,225,071</b>
GENERAL CONDITIONS = \$63,245; P&P BOND = \$10,259		6%		\$ 73,504
OVERHEAD		2%		\$ 24,501

**HOPEWELL HEIGHTS - TOWNHOMES**

4105 OLD IRON COURT, HOPEWELL, VA 23860

# OF BLDGS: 8

QAP YEAR

PREPARED FOR:

# OF APTS: 50

2020

ENVOLVE

SOV DATE :

5/19/21

SCOPE OF WORK DESCRIPTION	QUANTITY	UNIT	PRICE/UNIT	PRICE
PROFIT		6%		\$ 73,504
<b>TOTAL WITH CONTRACTOR FEE:</b>				<b>\$ 1,396,580</b>
BUILDERS RISK				\$ -
CONTRACTOR'S COST CERTIFICATION (\$10,000 COST CERT INC. ON MIDRISE SOV)		LS		\$ -
PERMITS	1	LS		\$ 17,500
CONTINGENCY		0%		\$ -
<b>TOTAL CONTRACT AMOUNT:</b>				<b>\$ 1,414,080</b>

HARD COST PRICE PER APT:	\$ 24,501
TOTAL PRICE PER APT:	\$ 28,282

**NOTES/CLARIFICATIONS:**

- 1 ABOVE PRICING EXCLUDES ENVIRONMENTAL ABATEMENT OF ANY KIND
- 2 ABOVE PRICING EXCLUDES ROUGH-IN AND ADDITION OF NEW DISWASHER
- 3 ABOVE PRICING EXCLUDES REPLACEMENT OF THE GARBAGE DISPOSAL. THIS WILL BE DEMOLISHED/ABANDONED.
- 5 ABOVE PRICING INCLUDES FLOORING REPLACEMENT IN KITCHENS AND BATHS ONLY
- 6 ABOVE PRICING EXCLUDES FRONT DOOR REPLACEMENT, SLIDING DOOR REPLACEMENT, AND STORAGE DOOR REPLACEMENT
- 7 ABOVE PRICING INCLUDES PAINTING KITCHEN, BATH, NEW DOORS, AND MISC. DRYWALL PATCHES FOR TRADE CUTS
- 8 ABOVE PRICING INCLUDES REPLACEMENT OF VINYL BASE IN BATHS & KITCHENS ONLY WITH NEW WOOD BASE.
- 9 ABOVE PRICING EXCLUDES REPLACEMENT OF WINDOWS, WINDOW BLINDS, AND VERTICAL BLINDS AT PATIO DOOR
- 10 ABOVE PRICING EXCLUDES SITE LIGHTING REPLACEMENT
- 11 ABOVE PRICING EXCLUDES SIDING AND EXCLUDES SIDING REPAIRS
- 12 ABOVE PRICING EXCLUDES REPLACEMENT OF ROOFING
- 13 ABOVE PRICING EXCLUDES REPLACEMENT OF REFRIGERATOR, RANGE, AND RANGE HOOD. ASSUMES REFRIGERATORS ARE E-STAR. ASSUMES RANGE HAS ANTI-TIP ALREADY
- 14 EXISTING RANGE HOOD TO BE DETACHED & RESET DURING CABINET REPLACEMENT
- 15 ABOVE PRICING EXCLUDES REPLACEMENT OF PLUMBING ANGLE STOPS
- 16 ABOVE PRICING EXCLUDES ROUGH-IN OF NEW ELECTRICAL AND DUCTWORK FOR BATH FANS. EMPIRE ASSUMES BATH FANS ARE PRESENT IN ALL FULL AND HALF BATHS
- 18 ABOVE PRICING EXCLUDES FULL REPLACEMENT OF OUTLETS AND SWITCHES. ONLY GFCI RECEPTACLES AND COVER PLATES TO BE REPLACED.
- 19 FULL UNIT WALK TO BE DONE TO DETERMINE SEER RATING OF NEW HVAC UNITS IN TOWNHOMES UNITS
- 21 TUCKPOINTING BRICK EXCLUDED FROM BUDGET.

**EMPIRE'S SPECIFICATIONS/SUBSTITUTIONS - THE ABOVE PRICING IS BASED ON THE PROJECT SPECIFICATIONS & THE FOLLOWING ITEMS BELOW:**

- 1 INTERIOR HOLLOW CORE DOORS BY STEVE'S, JELDWEN, AND/OR MASONITE
- 2 METAL DOORS BY MASONITE, JELDWEN, AND/OR MESKER
- 3 VINYL WINDOWS MANUFACTURED BY ALSIDE, VIWINTech, MGM, M.I., SILVERLINE, PLYGEM AND/OR COMFORT VIEW
- 4 SHINGLES BY TAMKO, GAF, AND/OR OWENS CORNING
- 5 FLOORING PRODUCTS BY MOHAWK, SHAW, TARKETT, AND/OR FISHMAN
- 6 BATHROOM ACCESSORIES BY PAMEX
- 7 INTERIOR DOOR HARDWARE BY PAMEX AND/OR DELANEY
- 8 MEDICINE CABINETS BY AMERICAN PRIDE OR JENSEN
- 9 PLUMBING FIXTURES BY CFG, MOEN, AND/OR PROFLO
- 10 LIGHTING FIXTURES BY SEAGULL, EFFICIENT, AND/OR PROGRESS
- 11 APPLIANCES BY FRIGIDAIRE AND/OR GE
- 12 PAINT BY SHERWIN WILLIAMS
- 13 HVAC UNITS BY CARRIER AND/OR GOODMAN

# Construction Progress Schedule

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB Approval No.2577-0157 (Exp. 3/31/2020)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Construction practices and HUD administrative requirements establish the need that HAs maintain certain records or submit certain documents in conjunction with the oversight of the award of construction contracts for the construction of new low-income housing developments or modernization of existing developments. These forms are used by HAs to provide information on the construction progress schedule and schedule of amounts for contract payments. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Name of Public Housing Agency/Indian Housing Authority (PHA/IHA)

2. City <b>HOPEWELL</b>	3. State <b>VA</b>	5. Project Name <b>RENOVATION TO HOPEWELL HEIGHTS APARTMENTS</b>
4. Location <b>4105 OLD IRON COURT</b>		6. Project Number <b>05111511</b>
7. Contract For <b>RENOVATIONS TO HOPEWELL HEIGHTS APARTMENTS</b>		8. Contract Time (Days) <b>364</b>
9. From (mm/dd/yyyy) <b>08/02/2021</b> To (mm/dd/yyyy) <b>07/31/2022</b>		10. Contract Price \$ <b>\$5,179,985</b>
11. Number of Buildings <b>10</b>	12. Number of Dwelling Units <b>150</b>	13. Number of Rooms

(Submit as many pages as necessary to cover the construction period.)	Year (yyy)	2021	2021	2021	2021	2021	2022	2022
	Month	August	September	October	November	December	January	February
Actual Monthly Value, Work in Place (\$)								
Actual Accumulated Progress (%)								
Anticipated Monthly Value (\$)		103,601	155,402	259,000	517,998	517,998	517,998	517,998
Accumulated Scheduled Progress (%)		2.00	5.00	10.00	20.00	30.00	40.00	50.00

Submitted by	Contractor's Name <b>EMPIRE CORPORATION OF TENNESSEE, INC.</b>	
	Title <b>BEN TULLIS - PRESIDENT</b>	Signature  Date (mm/dd/yyyy)
Approved by	PHA/IHA	
	Title  	Date (mm/dd/yyyy)
Approved by	Architect	Date (mm/dd/yyyy)

# Construction Progress Schedule

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB Approval No.2577-0157 (Exp. 3/31/2020)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

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2. City <b>HOPEWELL</b>	3. State <b>VA</b>	5. Project Name <b>RENOVATION TO HOPEWELL HEIGHTS APARTMENTS</b>
4. Location <b>4105 OLD IRON COURT</b>		6. Project Number <b>05111511</b>
7. Contract For <b>RENOVATIONS TO HOPEWELL HEIGHTS APARTMENTS</b>		8. Contract Time (Days) <b>364</b>
9. From (mm/dd/yyyy) <b>08/02/2021</b> To (mm/dd/yyyy) <b>07/31/2022</b>		10. Contract Price \$ <b>\$5,179,985</b>
11. Number of Buildings <b>10</b>	12. Number of Dwelling Units <b>150</b>	13. Number of Rooms

(Submit as many pages as necessary to cover the construction period.)	Year (yyy)	2022	2022	2022	2022	2022		
	Month	March	April	May	June	July		
Actual Monthly Value, Work in Place (\$)								
Actual Accumulated Progress (%)								
Anticipated Monthly Value (\$)		517,998	517,998	517,998	517,998	517,998		
Accumulated Scheduled Progress (%)		60.00	70.00	80.00	90.00	100.00		

Submitted by	Contractor's Name <b>EMPIRE CORPORATION OF TENNESSEE, INC.</b>		
	Title <b>BEN TULLIS - PRESIDENT</b>	Signature	Date (mm/dd/yyyy)
Approved by	PHA/IHA		
	Title		Date (mm/dd/yyyy)
Approved by	Architect		Date (mm/dd/yyyy)

 **AIA** Document A305™ – 1986**Contractor's Qualification Statement**

The Undersigned certifies under oath that the information provided herein is true and sufficiently complete so as not to be misleading.

**SUBMITTED TO:** ENV - Hopewell Heights, LP  
**ADDRESS:** 4105 Old Iron Court, Hopewell, VA 23860

**SUBMITTED BY:** Empire Corporation of Tennessee, Inc.

**NAME:** Benjamin J. Tullis

**ADDRESS:** P.O. Box 51786, Knoxville, TN 37950

**PRINCIPAL OFFICE:** 3600 Henson Road, Knoxville, TN 37921

[  
(Paragraphs deleted)

X ] Corporation

**NAME OF PROJECT:** (if applicable) Hopewell Heights Apartments

**TYPE OF WORK:** (file separate form for each Classification of Work)

[  
(Paragraphs deleted)

X ] General Construction

**§ 1 ORGANIZATION**

**§ 1.1** How many years has your organization been in business as a Contractor? 38

**§ 1.2** How many years has your organization been in business under its present business name? 38

**§ 1.2.1** Under what other or former names has your organization operated?

Empire Construction  
Empire Paving & Sealing

**§ 1.3** If your organization is a corporation, answer the following:

**§ 1.3.1** Date of incorporation: 7/1/1982

**§ 1.3.2** State of incorporation: Tennessee

**§ 1.3.3** President's name: Benjamin J. Tullis

**§ 1.3.4** Vice-president's name(s)

**§ 1.3.5** Secretary's name: Cathy Braund

**§ 1.3.6** Treasurer's name: Benjamin Mills

**ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This form is approved and recommended by the American Institute of Architects (AIA) and The Associated General Contractors of America (AGC) for use in evaluating the qualifications of contractors. No endorsement of the submitting party or verification of the information is made by AIA or AGC.

§ 1.4 If your organization is a partnership, answer the following:

§ 1.4.1 Date of organization:

§ 1.4.2 Type of partnership (if applicable):

§ 1.4.3 Name(s) of general partner(s)

§ 1.5 If your organization is individually owned, answer the following:

§ 1.5.1 Date of organization:

§ 1.5.2 Name of owner:

§ 1.6 If the form of your organization is other than those listed above, describe it and name the principals:

## § 2 LICENSING

§ 2.1 List jurisdictions and trade categories in which your organization is legally qualified to do business, and indicate registration or license numbers, if applicable.

TN, AL, AR, CO, FL, GA, KS, KY, LA, MS, NC, SC, VA, OH - General Contractor  
CT, DE, IL, IN, MD, MI, MO, PA, TX - Previously registered; currently inactive

§ 2.2 List jurisdictions in which your organization's partnership or trade name is filed.

AL - Empire Exteriors, Inc.  
All other states listed under Empire Corporation of Tennessee, Inc.

## § 3 EXPERIENCE

§ 3.1 List the categories of work that your organization normally performs with its own forces.

N/A

§ 3.2 Claims and Suits. (If the answer to any of the questions below is yes, please attach details.)

§ 3.2.1 Has your organization ever failed to complete any work awarded to it?

No

§ 3.2.2 Are there any judgments, claims, arbitration proceedings or suits pending or outstanding against your organization or its officers?

See attached letter.

§ 3.2.3 Has your organization filed any law suits or requested arbitration with regard to construction contracts within the last five years?

Yes. Empire filed for arbitration with a client who was not funding final payment. Empire subsequently received the final payment and arbitration was avoided

§ 3.3 Within the last five years, has any officer or principal of your organization ever been an officer or principal of another organization when it failed to complete a construction contract? (If the answer is yes, please attach details.)

No

§ 3.4 On a separate sheet, list major construction projects your organization has in progress, giving the name of project, owner, architect, contract amount, percent complete and scheduled completion date.

See Attached

**§ 3.4.1** State total worth of work in progress and under contract:

\$71,032,793 as of March 31, 2021

**§ 3.5** On a separate sheet, list the major projects your organization has completed in the past five years, giving the name of project, owner, architect, contract amount, date of completion and percentage of the cost of the work performed with your own forces.

See Attached

**§ 3.5.1** State average annual amount of construction work performed during the past five years:

\$ 84,366,776.64

**§ 3.6** On a separate sheet, list the construction experience and present commitments of the key individuals of your organization.

See Attached

**§ 4 REFERENCES**

**§ 4.1** Trade References:

See Attached

**§ 4.2** Bank References:

See Attached

**§ 4.3** Surety:

**§ 4.3.1** Name of bonding company:

Western Surety Company

Bonding Capacity:

Surety Commitment up to \$30 Million per project

**§ 4.3.2** Name and address of agent:

Shafer Insurance Agency

Jason Tallent

1100 Marion Street, Suite 200

Knoxville, TN 37921

**§ 5 FINANCING**

**§ 5.1** Financial Statement.

**§ 5.1.1** Attach a financial statement, preferably audited, including your organization's latest balance sheet and income statement showing the following items: (will provide upon request)

Current Assets (e.g., cash, joint venture accounts, accounts receivable, notes receivable, accrued income, deposits, materials inventory and prepaid expenses);

Net Fixed Assets;

Other Assets;

Current Liabilities (e.g., accounts payable, notes payable, accrued expenses, provision for income taxes, advances, accrued salaries and accrued payroll taxes);

Other Liabilities (e.g., capital, capital stock, authorized and outstanding shares par values, earned surplus and retained earnings).

§ 5.1.2 Name and address of firm preparing attached financial statement, and date thereof:

Dodson, Shelton & Nelson, C.P.A.  
603 Dolley Madison Road, Suite 104  
Greensboro, NC 27410

§ 5.1.3 Is the attached financial statement for the identical organization named on page one?

No – Empire Holding Company

§ 5.1.4 If not, explain the relationship and financial responsibility of the organization whose financial statement is provided (e.g., parent-subsiary).

Empire Holding Company – Parent  
Empire Corporation of Tennessee, Inc. - Subsidiary

§ 5.2 Will the organization whose financial statement is attached act as guarantor of the contract for construction?

Yes

§ 6 SIGNATURE

§ 6.1 Dated at this 8th day of April 2021

Name of Organization: Empire Corporation of Tennessee, Inc.

By: Benjamin J. Tullis

Title: President



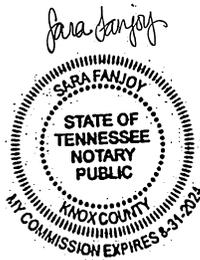
§ 6.2

Mr. Benjamin J. Tullis being duly sworn deposes and says that the information provided herein is true and sufficiently complete so as not to be misleading.

Subscribed and sworn before me this 8th day of April 2021

Notary Public: Sara Fanjoy

My Commission Expires: 8/31/2024



# Empire Corporation of Tennessee, Inc.

## Schedule of Jobs in Progress AS OF 3/31/21

	Project Name	Scope of Work	Location	Owner Name	Architect	Contract Amount	Number of Units	Est. Completion Date	% Complete
1	Marietta Senior Tower	Multiscope Renovations	Atlanta, GA	Marietta Road Senior Tower, LLC	THW Design	\$6,529,454	129	February 2021	68.58%
2	Peachtree Senior Tower	Multiscope Renovations	Atlanta, GA	Peachtree Senior Tower, LLC	THW Design	\$9,245,407	196	February 2021	17.94%
3	Abel Court Apartments	Multiscope Renovations	Bowling Green, KY	LSA Abel Court Apartments, LLC	Fielder & Associates	\$4,209,562	48	September 2021	30.70%
4	Dudley Court Apartments	Multiscope Renovations	Paducah, KY	LSA Grier Dudley Court, LLC	Fielder & Associates	\$5,369,355	88	September 2021	18.73%
5	Forbes Manor Apartments	Multiscope Renovations	Gastonia, NC	Forbes Manor, LLC	BDCL Architects, PC	\$4,341,044	76	August 2021	25.42%
6	Meadowood Apartments	Multiscope Renovations	Alcoa, TN	Meadowood Housing Partners, LP	Ross/Deckard Architects, PA	\$4,961,825	100	September 2021	53.36%
7	Snap Apartments	Multiscope Renovations	Savannah, GA	SNAP Housing Partners, LP	Dyke Nelson Architecture, LLC	\$19,803,755	233	December 2021	23.49%
8	Eastgate Apartments	Multiscope Renovations	Newnan, GA	LRC - Eastgate, LLC	Dyke Nelson Architecture, LLC	\$5,260,945	96	February 2022	1.68%
9	Farview Apartments	Multiscope Renovations	Thomaston, GA	LRC - Farview, LLC	Dyke Nelson Architecture, LLC	\$6,385,626	100	March 2022	1.71%
10	Oakley Square Apartments	Multiscope Renovations	Durham, NC	Oakley Square Housing Partners, LP	Ross/Deckard Architects, PA	\$4,925,820	100	October 2021	1.08%
Grand Total:						\$71,032,793	1,166		

# Empire Corporation of Tennessee, Inc.

## Major Projects Completed Within Last 5 Years

As of 3/31/21

	Contract Description	Scope of Work	City, State	Contract Amt	Completion Date	Units	Client Name
1	Cumberland Pointe Apts	Multiscope Renovations	Nashville, TN	\$7,584,776	Mar-15	200	Lawler Wood
2	Frederick Place Apts	New Construction	West Liberty, KY	\$3,917,772	Mar-15	48	Frederick Place Apartments
3	University Park Apts	Multiscope Renovations	Kannapolis, NC	\$7,403,944	Mar-15	96	DHIC
4	Campbell Arms	Multiscope Renovations	Homestead, FL	\$1,758,718	Apr-15	201	POAH Campbell Arms, LLC
5	Harbor at Legacy Village	Multiscope Renovations	Jacksonville, AL	\$2,090,016	Apr-15	50	Jacksonville Retirement
6	Northwood Village	Multiscope Renovations	Jackson, MS	\$5,944,530	Apr-15	120	The Wishcamper Companies,
7	Wellspring Johnson City	New Construction (Assisted Living)	Johnson City, TN	\$5,800,041	Jul-15	60	Dominion Development
8	Magnolia Crossing	Multiscope Renovations	Yazoo City, MS	\$4,898,557	Jul-15	86	Housing Solutions Alliance,
9	Meadowview Apts	Multiscope Renovations	Highland Heights, KY	\$2,716,094	Sep-15	118	American First Real Estate
10	Berger Apts	Multiscope Renovations	New Haven, CT	\$6,066,840	Sep-15	144	Steele Properties / Monroe
11	Townview Towers Apts	Multiscope Renovations	Knoxville, TN	\$9,757,847	Nov-15	299	LHP Capital, LLC
12	Henry Manor Apts	Multiscope Renovations	Morristown, TN	\$3,544,709	Dec-15	50	LHP Capital, LLC
13	Dominion Maryville	New Construction (Assisted Living)	Maryville, TN	\$3,592,175	Jan-16	40	Dominion Development
14	Village at the Beverly	New Construction (Apartments)	Hattiesburg, MS	\$5,923,889	Feb-16	52	GCHP
15	Southside Manor Apts	Multiscope Renovations	South Fulton, TN	\$4,487,919	Mar-16	66	LHP Capital, LLC
16	Ashley Arms Apts	Multiscope Renovations	Charleston, SC	\$2,909,794	Jul-16	100	The Hampstead Companies
17	Palmilla 228 Apts	Multiscope Renovations	Charleston, SC	\$8,292,892	Jul-16	228	The Hampstead Companies
18	Palmilla 100 Apts	Multiscope Renovations	Charleston, SC	\$4,357,326	Jul-16	100	The Hampstead Companies
19	River's Edge Apts	New Construction (Apartments)	Knoxville, TN	\$12,804,519	Sep-16	134	Dominion Development
20	Cypress Springs Apts	New Construction (Apartments)	Baton Rouge, LA	\$11,939,844	Sep-16	144	Community Development Inc
21	Centennial Place Phase I	Multiscope Renovations	Atlanta, GA	\$10,771,907	Oct-16	181	Integral Development
22	Forest Court Apts	Multiscope Renovations	Kenton, OH	\$1,549,430	Nov-16	90	LEDIC Realty Company
23	Westover Village Apts	Multiscope Renovations	Loveland, OH	\$1,755,907	Nov-16	90	LEDIC Realty Company
24	Centennial Place Phase II	Multiscope Renovations	Atlanta, GA	\$11,622,869	Jan-17	177	Integral Development
25	Waverly Terrace Senior Apts	New Construction & Historic Rehab	Columbus, GA	\$9,441,140	Mar-17	80	Beneficial Communities
26	Columbia Gardens Apts	Multiscope Renovations	Columbia, SC	\$8,903,531	May-17	188	The Hampstead Companies
27	Spartanburg RAD	Multiscope Renovations (7 x properties)	Spartanburg, SC	\$11,113,485	May-17	283	Hunt Development Group, LLC
28	Grace Healthcare - Vero Beach	Multiscope Renovations	Vero Beach, FL	\$8,111,074.00	Jun-17	60	Vero Property Investment, LLC
29	Ashland Woods	Multiscope Renovations	Ashland, VA	\$4,320,109.00	Jun-17	150	LEDIC Realty Company
30	Audubon Village I	Multiscope Renovations	Richmond, VA	\$4,454,782.00	Jun-17	160	LEDIC Realty Company
31	Victory Village	Multiscope Renovations	Portsmouth, VA	\$3,076,527.00	Jun-17	112	LEDIC Realty Company
32	Indian Springs	Multiscope Renovations	Broken Arrow, OK	\$6,066,799.00	Jul-17	261	LEDIC Realty Company
33	Northland Village - Multiscope Renovations	Multiscope Renovations	Dayton, OH	\$7,081,861.00	Sep-17	500	American Apartment Mgmt
34	King Street Commons	Multiscope Renovations	Hampton, VA	\$7,480,791.00	Sep-17	184	LEDIC Realty Company
35	Mt. Carmel	Multiscope Renovations	Jacksonville, FL	\$9,403,488.00	Sep-17	207	BREC/VOA
36	Audubon Village II	Multiscope Renovations	Richmond, VA	\$1,563,197.00	Sep-17	54	LEDIC Realty Company
37	Blackshear/Wessels	Multiscope Renovations	Savannah, GA	\$14,352,775.00	Nov-17	280	Hunt Development Group, LLC
38	Abbingdon at Stone River	Multiscope Renovations	Murfreesboro, TN	\$2,151,304.00	Nov-17	96	Burlington Capital, Real Estate
39	Big Oaks Apartments	Multiscope Renovations	Knoxville, TN	\$4,519,421.00	Apr-18	150	Evergreen Real Estate
40	Centennial Place Phase III	Multiscope Renovations	Atlanta, GA	\$13,681,779.00	May-18	185	Integral Development
41	Riverstock Apartments	Multiscope Renovations	Woodstock, GA	\$6,127,784.00	May-18	172	Dominium

# Empire Corporation of Tennessee, Inc.

## Major Projects Completed Within Last 5 Years

As of 3/31/21

	Contract Description	Scope of Work	City, State	Contract Amt	Completion Date	Units	Client Name
42	DeVile Manor Apartments	Multiscope Renovations	Meridian, MS	\$3,660,918.00	Jul-18	104	LEDIC Realty Company
43	Mill Creek Apartments	Multiscope Renovations	Douglasville, GA	\$5,461,406.00	Nov-18	128	Dominium
44	Retreat at Spring Hill	Multiscope Renovations	Stone Mountain, GA	\$5,458,314.00	Nov-18	83	Housing Development Corp
45	Piedmont Towers	Multiscope Renovations	Atlanta, GA	\$7,784,206.00	Nov-18	207	The Michaels Organization
46	Dudley Apartments	Multiscope Renovations	Paducah, KY	\$544,200.00	Mar-19	8	LSA Capital, Inc.
47	Marion Manor Apartments	Multiscope Renovations	Marion, VA	\$4,606,156.00	Jun-19	91	Surber Development
48	Nottoway Manor Apartments	Multiscope Renovations	Blackstone, VA	\$1,473,106.00	Jun-19	28	Flat-Iron Partners
49	Willow Branch Apartments	Multiscope Renovations	Madison Heights, VA	\$2,346,500.00	Jun-19	48	Flat-Iron Partners
50	Westlake Apartments	Multiscope Renovations	Savannah, GA	\$7,594,201.00	Sep-19	100	Vitus
51	La Playa Apartments	Multiscope Renovations	Baton Rouge, LA	\$8,189,118.00	Nov-19	140	Vitus
52	Linwood Apartments	Multiscope Renovations	Gainsville, GA	\$6,334,270.00	Nov-19	99	Vitus
53	Willow View Townhomes	Multiscope Renovations	Staunton, VA	\$4,629,276.00	Nov-19	110	LEDIC Realty Company
54	Ridgeway Apartments	Multiscope Renovations	Chattanooga, TN	\$6,050,215.00	Dec-19	120	Vitus
55	Country Village Apartments	Multiscope Renovations	Jefferson City, TN	\$6,860,908.00	Feb-20	140	Southport Financial Serves
56	Centennial Place Phase IV	Multiscope Renovations	Atlanta, GA	\$16,386,119.60	Mar-20	195	Integral Development
57	Glynn Pines Apartments	Multiscope Renovations	Brunswick, GA	\$5,756,732.76	Mar-20	88	Vitus
58	Fleetwood Apartments	Multiscope Renovations	Greenville, SC	\$5,564,345.41	May-20	100	Steele Properties
59	Market North Apartments	Multiscope Renovations	Wilmington, NC	\$17,016,699.00	May-20	202	Vitus
60	Amberly Square Apartments	Multiscope Renovations	Columbus, OH	\$4,943,981.31	May-20	112	Steele Properties
61	Groveland Terrace Apartments	Multiscope Renovations	Dublin, GA	\$3,464,266.54	Sep-20	52	LEDIC Realty Company
62	Derby Run Apartments	Multiscope Renovations	Hampton, VA	\$6,919,260.00	Dec-20	160	LEDIC Realty Company
63	Heritage Park Apartments	Multiscope Renovations	Charlotte, NC	\$9,220,070.00	Dec-20	151	Vitus
64	Callier Forest Apartments	Multiscope Renovations	Rome, GA	\$7,512,764.00	Sep-20	130	LEDIC Realty Company
65	Lexington House Apartments	Multiscope Renovations	Lexington, VA	\$3,992,108.00	Dec-20	78	Steele Properties
66	Morris Heights Apartments	Multiscope Renovations	Statesboro, GA	\$3,483,480.00	Nov-20	60	LEDIC Realty Company
67	Wood Valley Apartments	Multiscope Renovations	Thomasville, GA	\$3,239,101.00	Dec-20	52	LEDIC Realty Company
5 YR Grand Total:				\$421,833,883.21	Dec-20	9,097	
Since 2003:				\$629,542,702.97			

# Empire Corporation of Tennessee, Inc.

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## Key Personnel

### Ben Tullis – President



Ben Tullis started with Empire in May 2001. He graduated from the University of Tennessee with a Bachelor of Science in Business Administration. Ben has worked his way through the ranks in the field learning all aspects of running a job site efficiently. He transitioned into the lead Superintendent and then Project Manager working on jobs ranging from \$5 Million to \$19 Million. Ben has over 20 years experience in multifamily renovation.

### Ben Mills – Senior Project Manager



Ben joined the Empire team in 2004 after receiving a degree in Mechanical Engineering from the University of Tennessee. During his years at Empire Ben has had an opportunity to spend time learning the roles of multiple different positions. Ben has been in the field as a Superintendent and in the corporate office directing Project Development for estimating and procuring subcontractors/ materials. Since 2016 Ben has been working as a Project Manager overseeing multifamily renovation projects.

### Andrew Sutherland – Senior Project Manager



Andrew joined Empire in 2001 as an Assistant Construction Manager, focusing on capital replacement renovations on multi-family projects throughout the southeast. He has served as both Superintendent and Project Manager for multifamily renovation projects. Andrew is a former United States Marine.

### Leon Mullinax – Senior Project Manager



Leon Mullinax has been a valued team member of Empire Construction since May 2016. He brought with him many construction lessons that he has learned over his 35 years of experience. Leon has completed the renovation and new construction of thousands of apartment units, surgical centers and medical offices with projects ranging from \$2MM - \$45MM.

# Empire Corporation of Tennessee, Inc.

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## Todd Weldon – Senior Project Manager



Todd joins the Empire family with 35 years of experience in construction. Todd has worked his way through the ranks from assistant superintendent, superintendent, project manager, and finally to senior project manager at Empire. He has managed projects of a variety of commercial construction projects ranging from \$5MM to \$70MM, including multifamily renovations, student housing, hotel restorations, and concrete structures.

## Robert Arden - Project Manager



Robert joins the team of Empire Construction bringing a vast portfolio of successful projects completed during his 35+ years in the Multifamily industry. The communities have been located from Texas to the southeast region of the county. He brings invaluable experience of all phases and levels of construction including a large list of subcontractors/vendors. Robert has teamed with top developers, major Architect/engineering firms, REIT's, private owners, property management companies, major financial institutions, HUD and public private financing groups. His projects have ranged in value from \$1MM to \$44MM.

## Alex Davis - Project Manager



Alex joined the Empire family in 2016 as a construction manager working on our Ohio projects. During his time at Empire, Alex has held multiple positions working on projects ranging from \$4.5MM to \$7.5MM. Gaining experience by working under the successful leadership of Leon Mullinax and Ben Mills, Alex has been promoted to serve as Project Manager in 2018.

## Troy Hoskins - Project Manager



Troy joined the Empire family in 2016 as a project manager with 25 years experience in the construction industry with an emphasis on Multi-Family renovations and Catastrophe reconstruction. He was previously owner/operator of a national firm managing operations including multi-family renovations, new construction, strip malls, hotels, and mini-storage warehousing. He began as a project manager and estimator for an independent commercial and multi-family real estate development company with projects valued into the tens of millions of dollars. Troy attended Central State University.

# Empire Corporation of Tennessee, Inc.

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## Alan Hays - Project Manager



Alan brings a lifetime of experience in the construction industry to Empire. Alan's father was a general contractor, and Alan stepped onto his first jobsite as a kid. Alan worked alongside his father through his college years, learning roofing, siding, framing, drywall, and more. After eight years in the military, Alan went to work as a general contractor, working on residential as well as multi-family windows and siding projects. In 2016, Alan joined the team at Empire as a Superintendent. He has worked extensively on multi-family rehab projects.

## Mike Harmon – Project Manager



Mike began his construction career in a family-owned residential development and construction firm. He joins Empire with more than 38 years of experience in commercial and residential construction. The types of projects Mike has managed include senior living, commercial, aviation, retail, office, hotel, multi-family housing, tenant improvement, educational, medical and healthcare, churches, manufacturing, restaurant, hospitality, and specialized cold storage.

# Empire Corporation of Tennessee, Inc.

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P.O. Box 51786  
Knoxville, TN 37950-1786  
(865) 251-4800  
FAX (865) 251-4801

## **Pending/Potential Litigation as of March 31, 2021**

Empire was named in two separate lawsuits by tenants. One is a slip and fall and one is when a person claims they were struck by a falling object. Both are insurance claims that have been accepted by Empire's insurance company.

# Shafer Insurance Agency

Be safer with Shafer.®

1100 Marion Street, Suite 200  
Knoxville, TN 37921

o: 865.546.0761  
f: 865.637.2247

April 7, 2021

RE: Empire Corporation of Tennessee, Inc.  
3600 Henson Road  
Knoxville, TN 37921

To Whom It May Concern:

It has been the privilege of Shafer Insurance Agency and Western Surety Company to provide surety bonds on behalf of Empire Corporation of Tennessee, Inc. In our opinion, Empire Corporation of Tennessee, Inc. remains properly financed, well equipped and professionally managed.

Empire Corporation of Tennessee, Inc. has a surety program of \$30,000,000 single with an aggregate of \$75,000,000 . As always, Western Surety Company reserves the right to perform normal underwriting at the time of any bond request, including, without limitation, prior review and approval of relevant contract documents, bond forms, and project financing. We assume no liability if for any reason we do not execute such bonds.

Western Surety Company is listed on the U.S. Treasury Department's Listing of Approved Sureties (2020 Department Circular 570) and is rated A+ by A.M. Best Company.

Sincerely,



Sue J Hill  
Attorney-In-Fact  
Western Surety Company



# Western Surety Company

## POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

**Jason E Tallent, Alexander C Shafer, Sue J Hill, Christina Addington, Aaron R Jensen, Christie Swinney, Rhonda Bean, Individually**

of Knoxville, TN, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

**- In Unlimited Amounts -**

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 14th day of January, 2021.



WESTERN SURETY COMPANY

*Paul T. Bruflat*

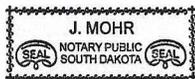
Paul T. Bruflat, Vice President

State of South Dakota }  
County of Minnehaha } ss

On this 14th day of January, 2021, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

June 23, 2021

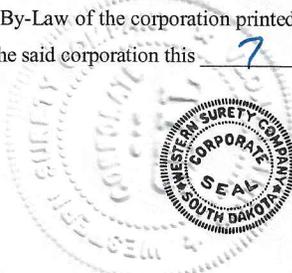


*J. Mohr*

J. Mohr, Notary Public

### CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 7 day of April, 2021.



WESTERN SURETY COMPANY

*L. Nelson*

L. Nelson, Assistant Secretary



# Empire Corporation of Tennessee, Inc.

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CREDIT APPLICATION

BILLING ADDRESS: PO Box 51786  
Knoxville, TN 37950-1786  
Phone: 865-251-4800  
Fax: 865-251-4801

Physical Address: 3600 Henson Road  
Knoxville, TN 37921

DBA: Empire Construction

Federal ID Number: 62-1150184

Contractor's License Number: 26140 State of Tennessee

D&B Number: 04-893-5597

Ownership: Corporation, State of Tennessee

Business Established: 1982

Principals: Benjamin J. Tullis,  
President

Billing Contact: Gay Miller, Controller  
GayM@empireinctn.com

## BANK REFERENCE:

Pinnacle Bank, Knoxville, TN  
Phone: 865-766-3043

Contact: Tom Vester  
Tom.Vester@PNFP.COM

## TRADE REFERENCES:

Ferguson  
Jonathan Jackson  
Knoxville, TN  
Fax: 865-531-6443  
Jonathan.Jackson@Ferguson.com

Shelter Product  
Kami Cass – Credit Specialist  
Portland, OR  
Fax: 503-872-6372  
kcass@shelter-products.com

Evans Cabinet Corporation  
Peggy Harrell  
Dublin, GA  
Phone: 478-272-2530  
Fax: 478-272-2531  
pharrell@evanscabinet.com

Sequatchie Concrete Services  
Britt Owen – Credit Dept  
South Pittsburg, TN  
Fax: 423-837-5269

## Business References

Scott Ewing  
Dominium Development  
VP of Construction  
763-354-5562  
Minnesota

Trey Williams  
The Integral Group  
Vice President of Operations  
404-224-1860  
Georgia

Steven Hydinger - Developer  
BREC Properties/SPM  
Vice President  
205-332-1057  
Alabama

Kea Calame - Developer  
Ledic Realty Co.  
Director of Acquisitions  
334-954-4458  
Alabama

John Rucker – Bond Syndicator  
Stifel, Nicolaus & Co  
Managing Director  
334-834-5100  
Alabama

John Nunnery  
PNC  
Acquisitions  
706-718-1278  
Florida

Erika Stern  
The Vitus Group  
Project Manager  
206-832-1313  
Washington

Rob Hazelton – HUD Inspections  
D3G  
President  
804-358-2020 ext. 304  
Virginia

Jon Killough  
Bellweather Enterprise  
Vice President  
205-588-6053  
Alabama

Milton Pratt  
The Michaels Organization  
Senior Vice President  
856-596-3008  
New Jersey

Dyke Nelson - Architect  
DNA Workshop  
Lead Designer  
225-224-3363  
Louisiana

HOPEWELL HEIGHTS - Owner Schedule

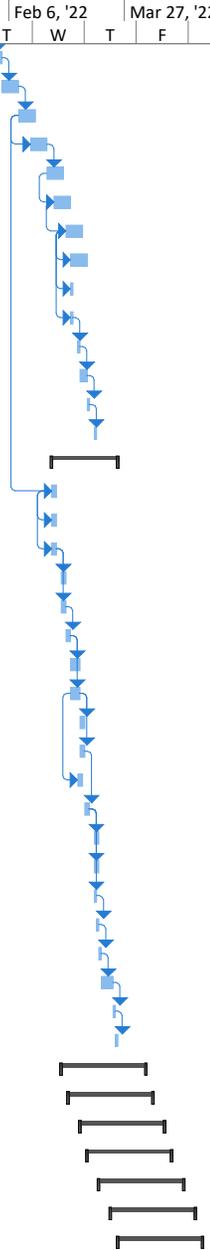
ID	Task Mod	Task Name	Duration	Start	Finish	6, '21	Jul 25, '21	Sep 12, '21	Oct 31, '21	Dec 19, '21	Feb 6, '22	Mar 27, '22	May 15, '22	Jul 3, '22	Aug
						S	S	M	T	W	T	F	S	S	M
1		<b>HOPEWELL HEIGHTS</b>	52 wks	Mon 8/2/21	Fri 7/29/22										
2		<b>NOTICE TO PROCEED</b>	0 wks	Mon 8/2/21	Mon 8/2/21										
4		OBTAIN BUILDING PERMIT	0 days	Mon 8/2/21	Mon 8/2/21										
5		<b>PROCUREMENT (AUTHORIZE RELEASE OF MATERIALS 30 DAYS)</b>	8 wks	Mon 8/2/21	Fri 9/24/21										
23															
24		<b>EXTERIORS</b>	52 wks	Mon 8/2/21	Fri 7/29/22										
25		Roofing & Coping (Mid-rise only)	8 wks	Mon 8/2/21	Fri 9/24/21										
26		HVAC Roof top unit (replace 1 of 2 units)	2 wks	Mon 9/13/21	Fri 9/24/21										
27		Siding/ Exterior cladding repairs	3 wks	Mon 9/13/21	Fri 10/1/21										
28		Brick Tuckpointing	4 wks	Mon 9/13/21	Fri 10/8/21										
29		Pressure Washing	2 wks	Mon 10/11/21	Fri 10/22/21										
30		Exterior Paint (railings, repaired siding)	6 wks	Mon 10/25/21	Fri 12/3/21										
31		Concrete (Sidewalks, Dumpster pads, HC parking, etc.)	8 wks	Mon 12/6/21	Fri 1/28/22										
32		Dumpster Fences	2 wks	Mon 1/31/22	Fri 2/11/22										
33		Tree Trimming, pruning, removal	2 wks	Mon 2/14/22	Fri 2/25/22										
34		Playground	2 wks	Mon 2/28/22	Fri 3/11/22										
35		Positive Drainage & Landscaping	6 wks	Mon 3/14/22	Fri 4/22/22										
36		Seed & Straw	2 wks	Mon 4/25/22	Fri 5/6/22										
37		Monument Sign	1 wk	Mon 5/9/22	Fri 5/13/22										
38		Asphalt Dig out & Repair	2 wks	Mon 6/13/22	Fri 6/24/22										
39		Asphalt Seal coat & Stripe	3 wks	Mon 6/27/22	Fri 7/15/22										
40		Site punch	2 wks	Mon 7/18/22	Fri 7/29/22										
41															
42		<b>MIDRISE - COMMON AREAS</b>	45 wks	Mon 8/2/21	Fri 6/10/22										
43		Elevator equipment upgrade (Cab A & B)	19 wks	Mon 9/13/21	Fri 1/21/22										
44		Fire Alarm	6 wks	Mon 8/2/21	Fri 9/10/21										
45		Leasing Office upgrades	10 wks	Mon 4/4/22	Fri 6/10/22										
46		Corridor lighting	2 wks	Mon 9/13/21	Fri 9/24/21										
47															
48		<b>HVAC, ELE &amp; WATER HEATERS</b>	16.6 wks	Mon 9/6/21	Wed 12/29/21										
49		<b>MID-RISE: FLOOR # 6 (18 Units)</b>	3.2 wks	Mon 9/6/21	Mon 9/27/21										
50		ELE Rough for new PTAC	2 wks	Mon 9/6/21	Fri 9/17/21										
51		Opening for new PTAC	2 wks	Wed 9/8/21	Tue 9/21/21										
52		New unit PTACs	2 wks	Fri 9/10/21	Thu 9/23/21										
53		Water heater	2 wks	Tue 9/14/21	Mon 9/27/21										
54		<b>MID-RISE: FLOOR # 5 (18 Units)</b>	3.2 wks	Mon 9/20/21	Mon 10/11/21										
59		<b>MID-RISE: FLOOR # 4 (18 Units)</b>	3.2 wks	Mon 10/4/21	Mon 10/25/21										
64		<b>MID-RISE: FLOOR # 3 (18 Units)</b>	3.2 wks	Mon 10/18/21	Mon 11/8/21										
69		<b>MID-RISE: FLOOR # 2 (18 Units)</b>	3.2 wks	Mon 11/1/21	Mon 11/22/21										

HOPEWELL HEIGHTS - Owner Schedule

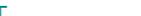
ID	Task Mod	Task Name	Duration	Start	Finish	6, '21	Jul 25, '21	Sep 12, '21	Oct 31, '21	Dec 19, '21	Feb 6, '22	Mar 27, '22	May 15, '22	Jul 3, '22	Aug
						S	S	M	T	W	T	F	S	S	M
74		<b>MID-RISE: FLOOR # 1 (2 Units)</b>	1.6 wks	Mon 11/15/21	Wed 11/24/21										
79		<b>TOWNHOMES: BLDG B (6 Units)</b>	1.2 wks	Tue 11/23/21	Tue 11/30/21										
80		HVAC	3 days	Tue 11/23/21	Thu 11/25/21										
81		Water heater	3 days	Fri 11/26/21	Tue 11/30/21										
82		<b>TOWNHOMES: BLDG C (6 Units)</b>	1.2 wks	Fri 11/26/21	Fri 12/3/21										
85		<b>TOWNHOMES: BLDG D (6 Units)</b>	1.2 wks	Wed 12/1/21	Wed 12/8/21										
88		<b>TOWNHOMES: BLDG E (6 Units)</b>	1.2 wks	Mon 12/6/21	Mon 12/13/21										
91		<b>TOWNHOMES: BLDG F (6 Units)</b>	1.2 wks	Thu 12/9/21	Thu 12/16/21										
94		<b>TOWNHOMES: BLDG G (7 Units)</b>	1.2 wks	Tue 12/14/21	Tue 12/21/21										
97		<b>TOWNHOMES: BLDG H (7 Units)</b>	1.2 wks	Fri 12/17/21	Fri 12/24/21										
100		<b>TOWNHOMES: BLDG J (6 Units)</b>	1.2 wks	Wed 12/22/21	Wed 12/29/21										
103															
104		<b>INTERIOR SCOPES</b>	32.8 wks	Mon 9/13/21	Thu 4/28/22										
105		<b>MID-RISE: FLOOR # 6 (18 Units)</b>	8.8 wks	Mon 9/13/21	Thu 11/11/21										
106		Cabinets & Tops	9 days	Mon 9/13/21	Thu 9/23/21										
107		Plumbing fixtures	9 days	Wed 9/15/21	Mon 9/27/21										
108		Range Hoods	9 days	Wed 9/15/21	Mon 9/27/21										
109		Demo bifolds & Modify opening	9 days	Tue 9/28/21	Fri 10/8/21										
110		Interior Doors & Hardware	9 days	Thu 9/30/21	Tue 10/12/21										
111		Electrical/Lights/ Smoke Detect	9 days	Thu 9/30/21	Tue 10/12/21										
112		Shower valves	9 days	Wed 10/13/21	Mon 10/25/21										
113		Misc. Plumbing Repairs	9 days	Wed 10/13/21	Mon 10/25/21										
114		Drywall Repairs	9 days	Thu 10/14/21	Tue 10/26/21										
115		Flooring	9 days	Thu 10/14/21	Tue 10/26/21										
116		Water Closets	9 days	Mon 10/18/21	Thu 10/28/21										
117		Paint	9 days	Mon 10/18/21	Thu 10/28/21										
118		Bath Accessories	9 days	Wed 10/20/21	Mon 11/1/21										
119		Clean tubs & surrounds	9 days	Wed 10/20/21	Mon 11/1/21										
120		Refrigerators & Ranges	1 day	Tue 11/2/21	Tue 11/2/21										
121		Range Queens	1 day	Wed 11/3/21	Wed 11/3/21										
122		Arch. 1st walk	1 day	Thu 11/4/21	Thu 11/4/21										
123		Empire punch/Clean	3 days	Fri 11/5/21	Tue 11/9/21										
124		Bldg Final	1 day	Wed 11/10/21	Wed 11/10/21										
125		Arch. Confirmation	1 day	Thu 11/11/21	Thu 11/11/21										
126		<b>MID-RISE: FLOOR # 5 (18 Units)</b>	8.8 wks	Fri 10/1/21	Wed 12/1/21										
147		<b>MID-RISE: FLOOR # 4 (18 Units)</b>	8.8 wks	Thu 10/21/21	Tue 12/21/21										
168		<b>MID-RISE: FLOOR # 3 (18 Units)</b>	8.8 wks	Wed 11/10/21	Mon 1/10/22										
189		<b>MID-RISE: FLOOR # 2 (18 Units)</b>	8.8 wks	Tue 11/30/21	Fri 1/28/22										
210		<b>MID-RISE: FLOOR # 1 (8 HC UNITS, 2 STD UNIT)</b>	9.6 wks	Thu 1/6/22	Mon 3/14/22										
211		Demo	5 days	Thu 1/6/22	Wed 1/12/22										
212		Framing	5 days	Mon 1/10/22	Fri 1/14/22										
213		MEP Rough-in	5 days	Mon 1/17/22	Fri 1/21/22										
214		MEP Rough-in inspections	5 days	Mon 1/24/22	Fri 1/28/22										

HOPEWELL HEIGHTS - Owner Schedule

ID	Task Mod	Task Name	Duration	Start	Finish	6, '21	Jul 25, '21	Sep 12, '21	Oct 31, '21	Dec 19, '21	Feb 6, '22	Mar 27, '22	May 15, '22	Jul 3, '22	Aug
						S	S	M	T	W	T	F	S	S	M
215	→	Insulation	3 days	Mon 1/31/22	Wed 2/2/22										
216	→	Drywall	5 days	Thu 2/3/22	Wed 2/9/22										
217	→	Cabinets & Tops	5 days	Thu 2/10/22	Wed 2/16/22										
218	→	Interior Doors, Trim & Hardwar	5 days	Tue 2/15/22	Mon 2/21/22										
219	→	Paint	5 days	Tue 2/22/22	Mon 2/28/22										
220	→	Flooring	5 days	Fri 2/25/22	Thu 3/3/22										
221	→	Plumbing & Electrical trim out	5 days	Wed 3/2/22	Tue 3/8/22										
222	→	Bath Accessories	5 days	Fri 3/4/22	Thu 3/10/22										
223	→	Refrigerators & Ranges	1 day	Fri 3/4/22	Fri 3/4/22										
224	→	Range Queens	1 day	Fri 3/4/22	Fri 3/4/22										
225	→	Arch. 1st walk	1 day	Mon 3/7/22	Mon 3/7/22										
226	→	Empire punch/Clean	3 days	Tue 3/8/22	Thu 3/10/22										
227	→	Bldg Final	1 day	Fri 3/11/22	Fri 3/11/22										
228	→	Arch. Confirmation	1 day	Mon 3/14/22	Mon 3/14/22										
229	→	<b>TOWNHOMES: BLDG B (6 Units)</b>	<b>4 wks</b>	<b>Thu 2/24/22</b>	<b>Wed 3/23/22</b>										
230	→	Cabinets & Tops	2 days	Thu 2/24/22	Fri 2/25/22										
231	→	Plumbing fixtures	2 days	Thu 2/24/22	Fri 2/25/22										
232	→	Range Hoods	2 days	Thu 2/24/22	Fri 2/25/22										
233	→	Demo bifolds & Modify opening	2 days	Mon 2/28/22	Tue 3/1/22										
234	→	Interior Doors & Hardware	2 days	Mon 2/28/22	Tue 3/1/22										
235	→	Electrical/Lights/ Smoke Detect	2 days	Wed 3/2/22	Thu 3/3/22										
236	→	Shower valves	2 days	Fri 3/4/22	Mon 3/7/22										
237	→	Misc. Plumbing Repairs	2 days	Fri 3/4/22	Mon 3/7/22										
238	→	Drywall Repairs	2 days	Tue 3/8/22	Wed 3/9/22										
239	→	Flooring	2 days	Tue 3/8/22	Wed 3/9/22										
240	→	Water Closets	2 days	Mon 3/7/22	Tue 3/8/22										
241	→	Paint	2 days	Thu 3/10/22	Fri 3/11/22										
242	→	Bath Accessories	2 days	Mon 3/14/22	Tue 3/15/22										
243	→	Clean tubs & surrounds	2 days	Mon 3/14/22	Tue 3/15/22										
244	→	Refrigerators & Ranges	1 day	Mon 3/14/22	Mon 3/14/22										
245	→	Range Queens	1 day	Tue 3/15/22	Tue 3/15/22										
246	→	Arch. 1st walk	1 day	Wed 3/16/22	Wed 3/16/22										
247	→	Empire punch/Clean	3 days	Thu 3/17/22	Mon 3/21/22										
248	→	Bldg Final	1 day	Tue 3/22/22	Tue 3/22/22										
249	→	Arch. Confirmation	1 day	Wed 3/23/22	Wed 3/23/22										
250	→	<b>TOWNHOMES: BLDG C (6 Units)</b>	<b>5.2 wks</b>	<b>Mon 2/28/22</b>	<b>Mon 4/4/22</b>										
271	→	<b>TOWNHOMES: BLDG D (6 Units)</b>	<b>5.2 wks</b>	<b>Thu 3/3/22</b>	<b>Thu 4/7/22</b>										
292	→	<b>TOWNHOMES: BLDG E (6 Units)</b>	<b>5.2 wks</b>	<b>Tue 3/8/22</b>	<b>Tue 4/12/22</b>										
313	→	<b>TOWNHOMES: BLDG F (6 Units)</b>	<b>5.2 wks</b>	<b>Fri 3/11/22</b>	<b>Fri 4/15/22</b>										
334	→	<b>TOWNHOMES: BLDG G (7 Units)</b>	<b>5.2 wks</b>	<b>Wed 3/16/22</b>	<b>Wed 4/20/22</b>										
355	→	<b>TOWNHOMES: BLDG H (7 Units)</b>	<b>5.2 wks</b>	<b>Mon 3/21/22</b>	<b>Mon 4/25/22</b>										
376	→	<b>TOWNHOMES: BLDG J (6 Units)</b>	<b>5.2 wks</b>	<b>Thu 3/24/22</b>	<b>Thu 4/28/22</b>										



Date: 3/3/21

Task		External Tasks		Manual Task		Finish-only	
Split		External Milestone		Duration-only		Deadline	
Milestone		Inactive Task		Manual Summary Rollup		Progress	
Summary		Inactive Milestone		Manual Summary		Manual Progress	
Project Summary		Inactive Summary		Start-only			

K

Documentation of  
Development Location

**K.1**

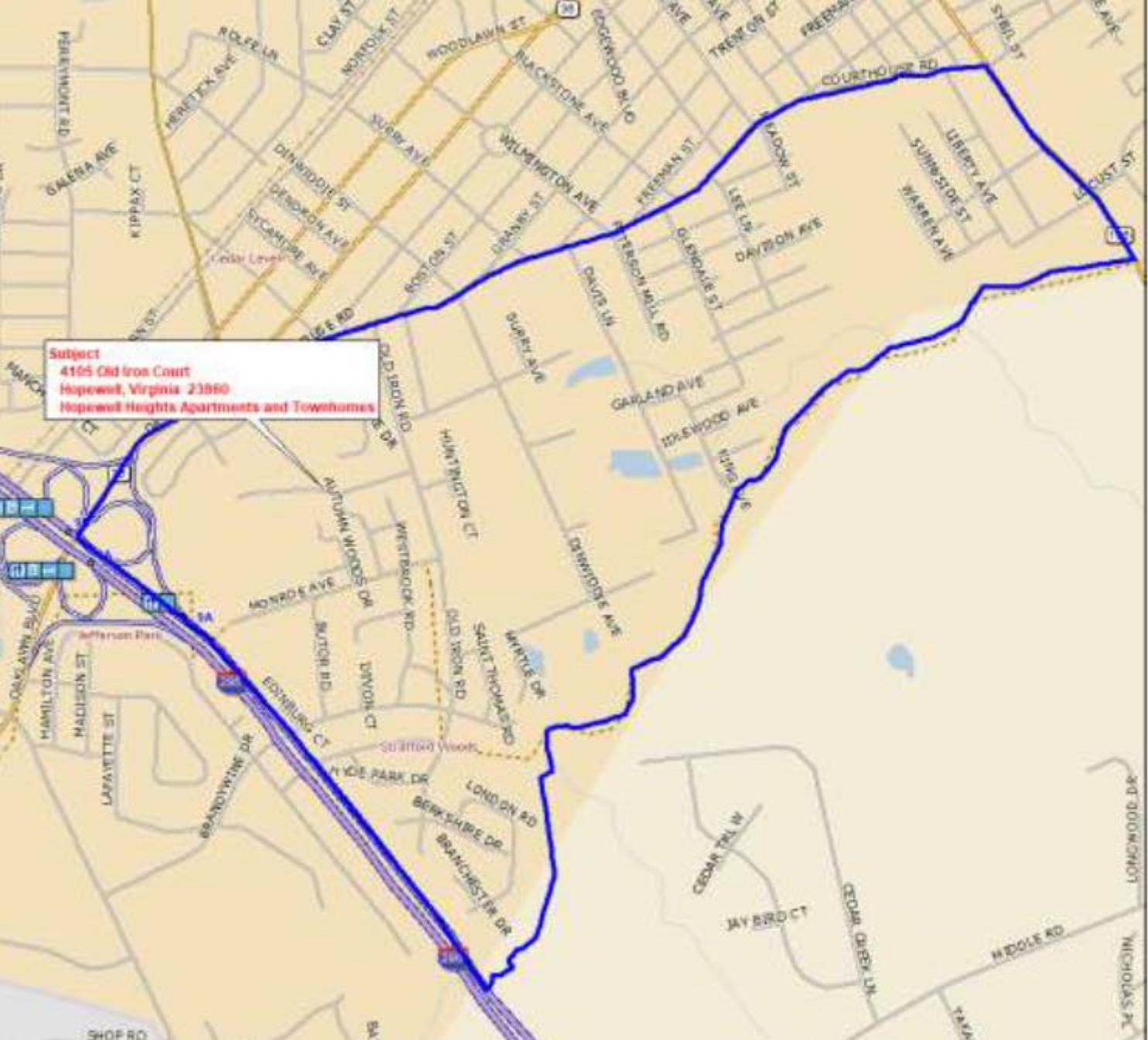
Revitalization Area  
Certification

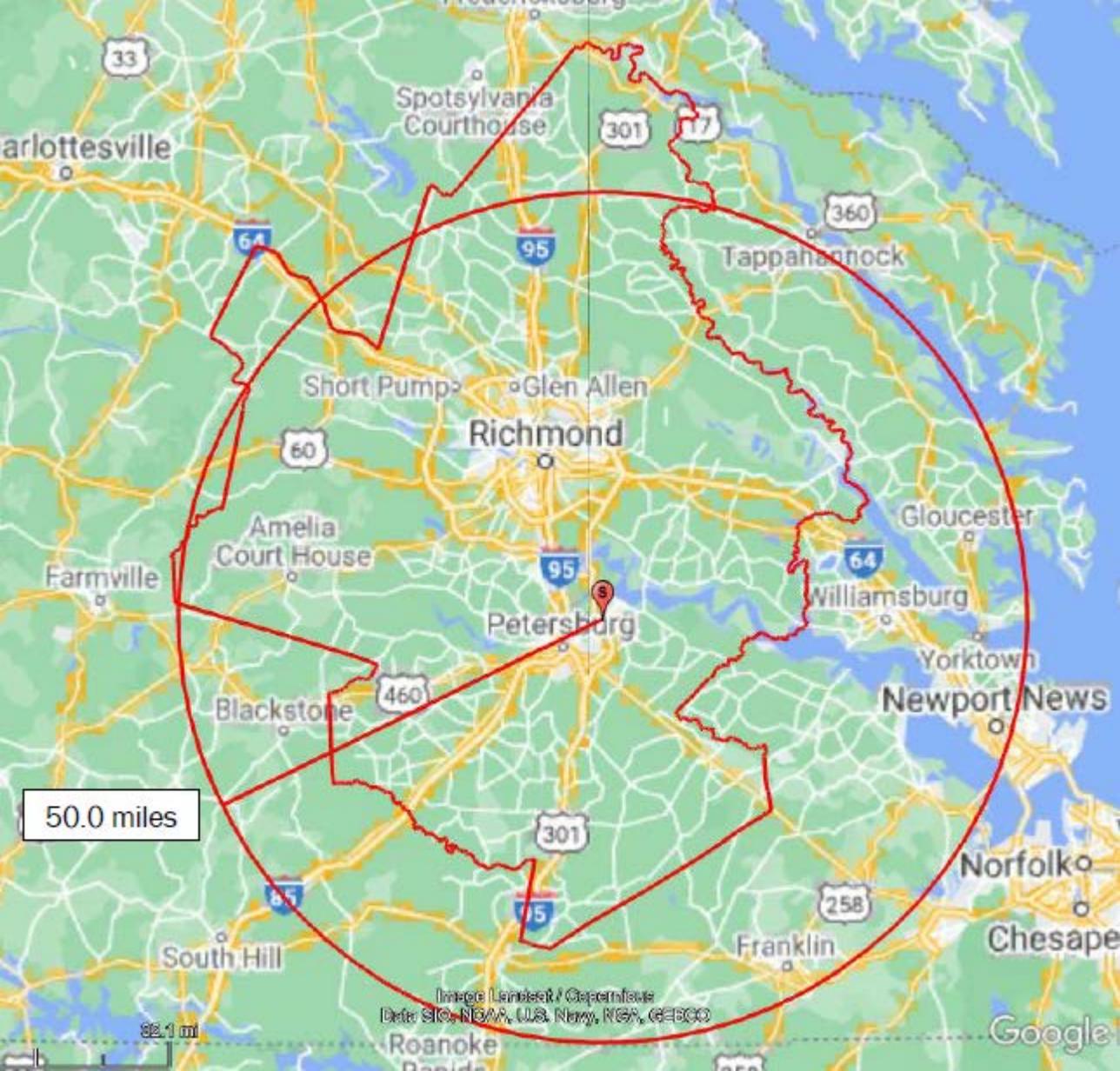
**NOT APPLICABLE**

K.2

Location Map

**Subject**  
4165 Old Iron Court  
Hopewell, Virginia 23060  
Hopewell Heights Apartments and Townhomes

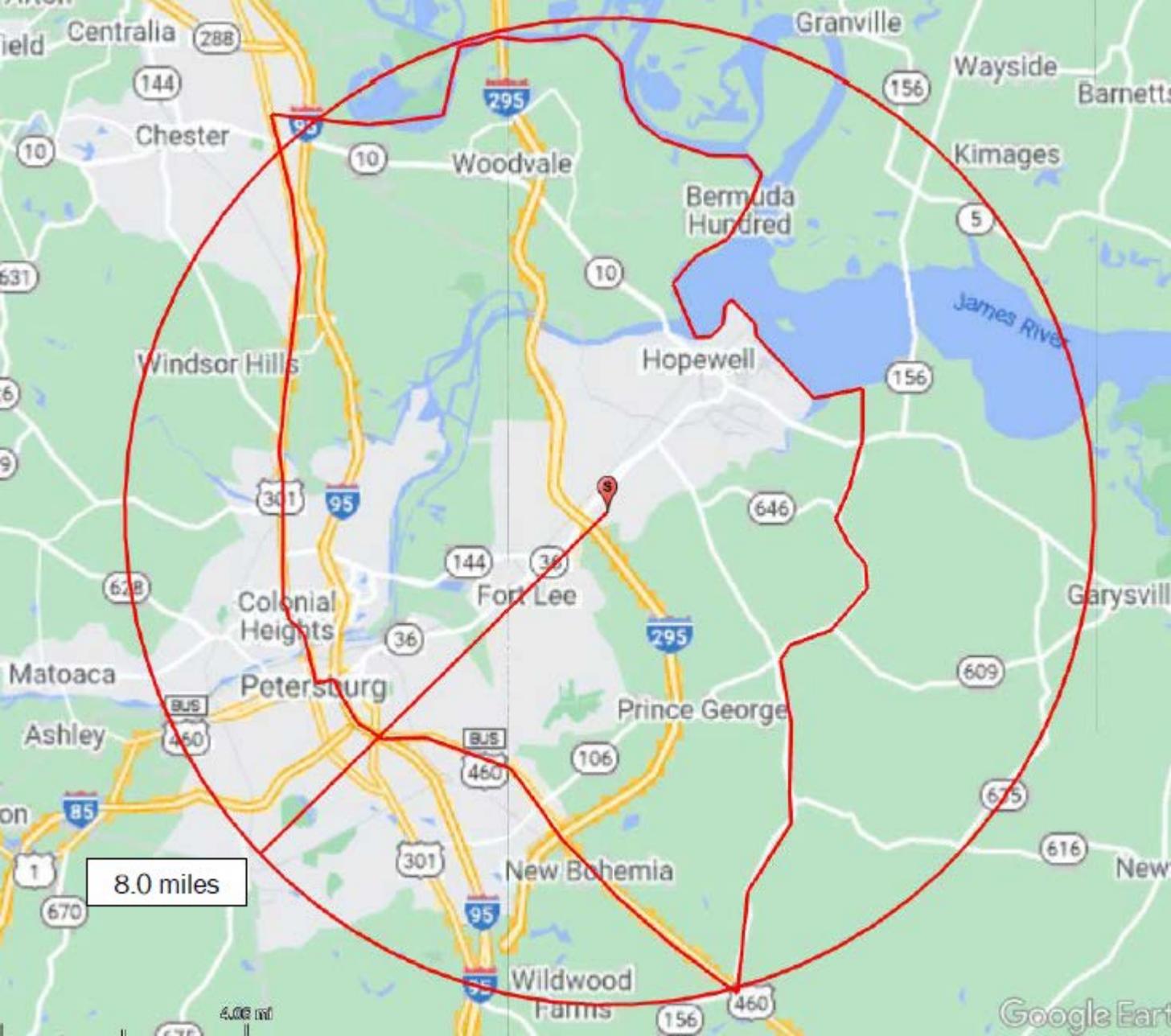




50.0 miles

Image Landsat / Copernicus  
Data: SIO, NOAA, U.S. Navy, NGA, GEBCO

Google

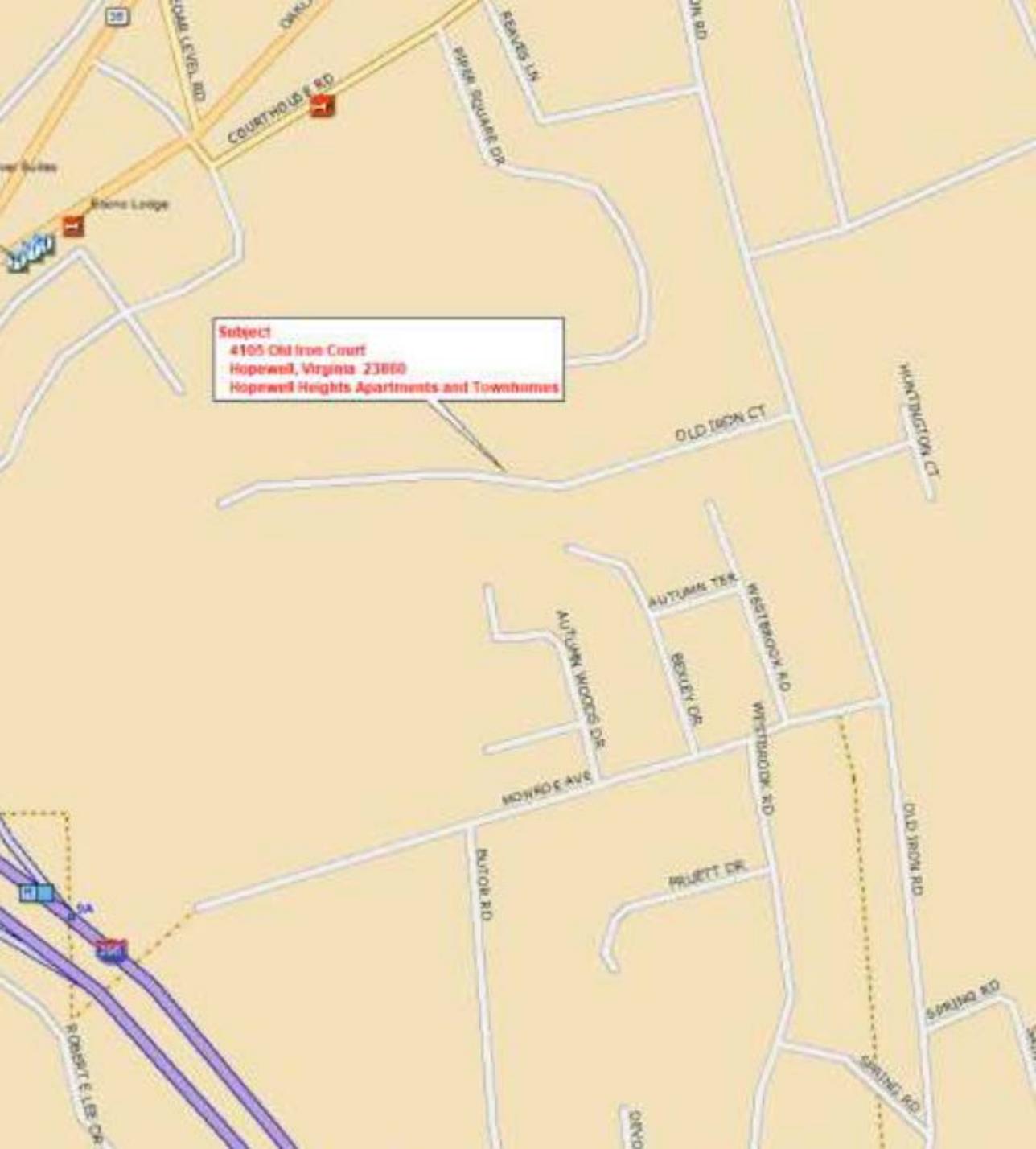


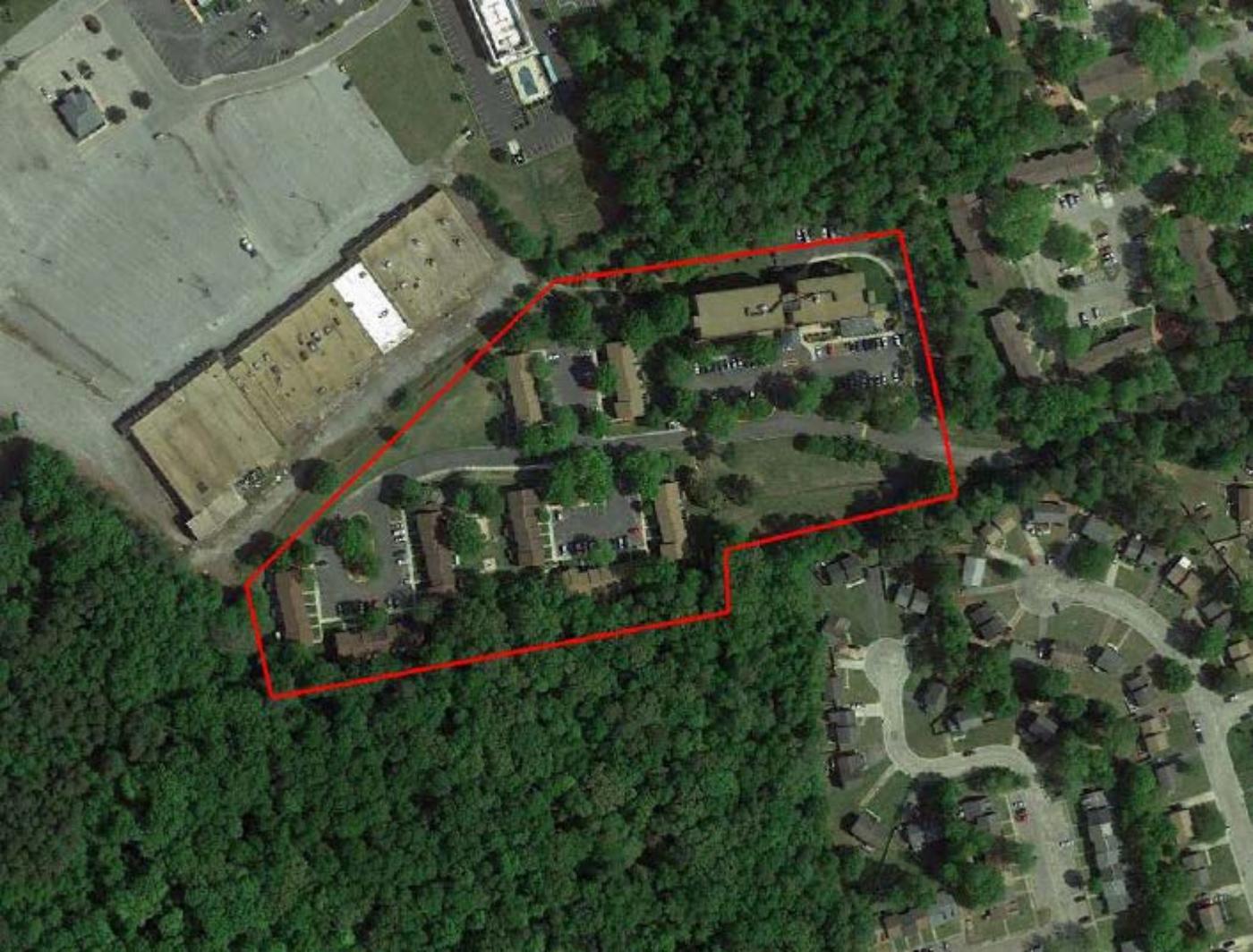
8.0 miles

4.000 mi

Google Earth

**Subject**  
4105 Old Iron Court  
Hopewell, Virginia 23860  
Hopewell Heights Apartments and Townhomes

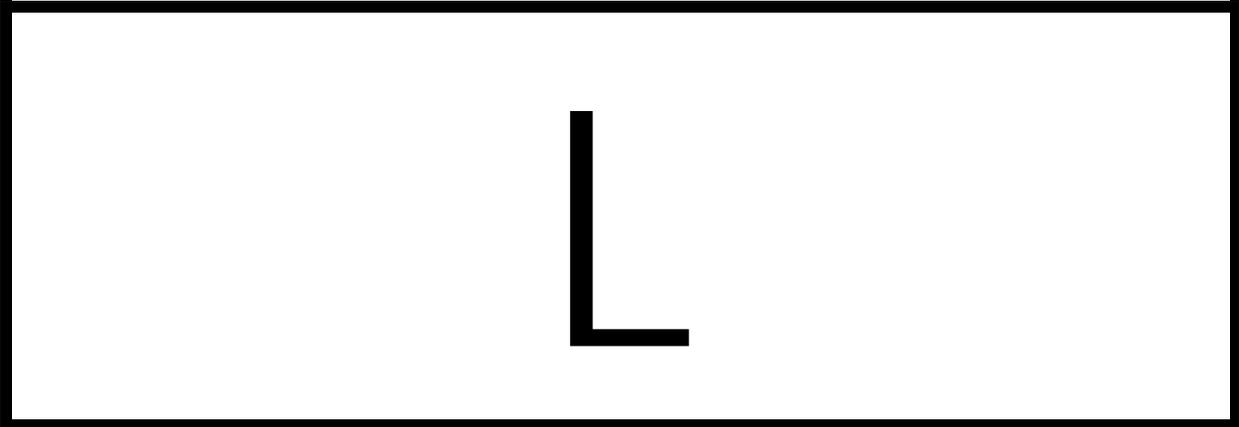




K.3

Surveyor's Certification of  
Proximity to Public  
Transportation

NOT AVAILABLE



L

PHA/Section 8 Notification  
Letter

NOT AVAILABLE

M

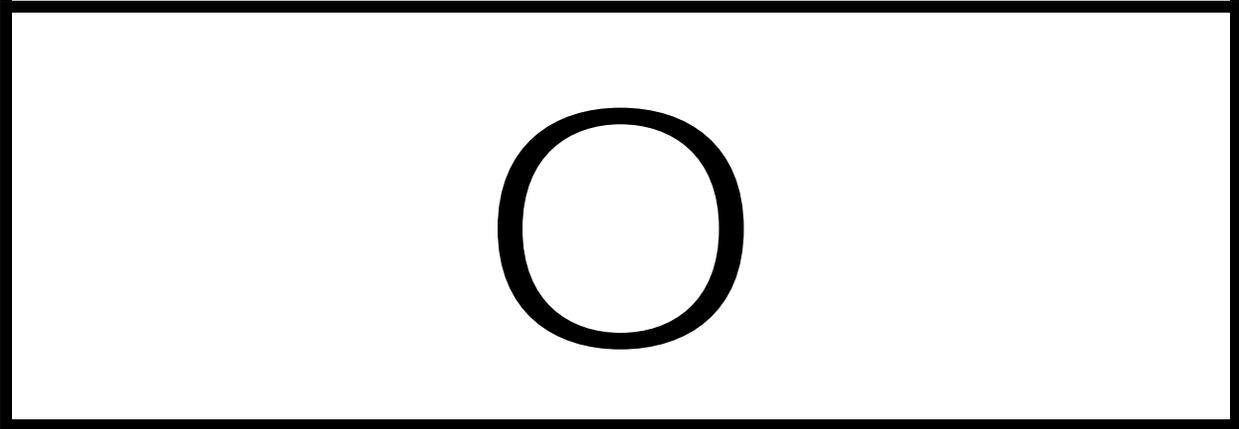
Locality CEO Response  
Letter

NOT AVAILABLE

N

Homeownership Plan

**NOT APPLICABLE**



O

Plan of Development  
Certification Letter

**NOT APPLICABLE**

P

Copies of 8609s to  
Certify Developer  
Experience and  
Partnership agreements

NOT AVAILABLE

Q

Documentation of  
Rental Assistance, Tax  
Abatement and/or  
Existing HUD/RD

**ASSIGNMENT, ASSUMPTION AND AMENDMENT AGREEMENT  
SECTION 8 HOUSING ASSISTANCE PAYMENTS CONTRACT  
(UNINSURED PROJECT)**

THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF SECTION 8 HOUSING ASSISTANCE CONTRACT (herein called the "Agreement") is made this 15<sup>th</sup> day of October, 2020, by the United States of America, Secretary of the Department of Housing and Urban Development (herein called "the Contract Administrator"), Hopewell Heights Associates, a Limited Partnership, a Virginia limited partnership (herein called "the Seller"), and ENV – Hopewell Heights, LP, a Virginia limited partnership (herein called "the Buyer").

**WHEREAS**, the Virginia Housing Development Authority, acting as the contract administrator, and the Seller, pursuant to Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437(f), entered into a Section 8 Housing Assistance Payments Contract (herein called the "HAP Contract") identified as HAP Contract Number VA36-H027-085 for units in the Hopewell Heights (herein called "the Property"), a copy of which is attached hereto as "Exhibit A";

**WHEREAS**, the Seller and LRC Acquisition LLC, an affiliate of the Buyer, have entered onto a Real Estate Purchase and Sale Agreement, dated as of June 29, 2020, as assigned, wherein the Seller agrees to sell the Property and the Buyer agrees to purchase the Property, including, without limitation, the improvements situated thereon, and has agreed to accept the assignment of and assume all obligations under the HAP Contract;

**WHEREAS**, the Buyer has submitted to the Secretary of HUD (herein called "the Secretary") an application and documents in support thereof (herein collectively referred to as the "Application") requesting the Secretary's approval of the proposed assignment of the HAP Contract to the Buyer as set forth in the aforesaid Real Estate Purchase and Sale Agreement; and

**WHEREAS**, the Seller and the Buyer mutually desire to assign the HAP Contract; and it is necessary to and the Contract Administrator and the Buyer mutually desire to amend the HAP Contract to allow for physical inspections in accordance with 24 CFR Part 5 Subpart G and require financial reporting in accordance with 24 CFR Part 5 Subpart H;

**NOW, THEREFORE**, in consideration of the foregoing, the sum of Ten Dollars (\$10.00) in hand paid and other good consideration, the receipt of which is hereby acknowledged, and in order to comply with the requirements of the Secretary, the United States Housing Act of 1937, and the regulations adopted pursuant thereto, the parties hereto agree as follows:

1. The Seller hereby irrevocably assigns HAP Contract to the Buyer together with all rights and obligations in and under said contract;
2. Effective as of the date of this Agreement the Buyer agrees to assume and to be bound by said HAP Contract as modified herein, and is responsible for filing the Annual Financial Statement (AFS) from the date of this Agreement through the end of the Buyer's fiscal year.

3. Effective as of the date of this Agreement, the Seller is released from any future obligations under the HAP Contract, excepting that the Seller shall remain responsible for filing the AFS through the day before this Agreement if said HAP Contract includes an AFS filing requirement. Nothing in this Agreement shall waive, compromise, impair, or prejudice any right HUD may have against the Seller for any violation of the HAP Contract that may have occurred prior to the date of this Agreement.

4. Part II of the HAP Contract shall be amended as follows to include the following provisions:

**Physical Conditions Standards and Inspection Requirements.** The Owner shall comply with the Physical Condition Standards and Inspection Requirements of 24 CFR Part 5, Subpart G, including any changes in the regulation and related Directives. In addition, the Owner shall comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR Part 200, Subpart P, including any changes in the regulation and related Directives. This obligation shall apply both during the current term of the HAP contract and during each successive renewal term.

**Financial Reporting Standards.** The Owner shall comply with the Uniform Financial Reporting Standards of 24 CFR Part 5, Subpart H, includin<sup>g</sup> any changes in the regulation and related Directives. This obligation shall apply during the current term of the HAP contract and for each successive renewal term.

5. This Agreement shall be construed under the laws of the State of Virginia and to the extent inconsistent with the laws of the State of Virginia, the laws of the United States of America. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

6. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

7. The Secretary, by the signature of his authorized representative below, consents to assignment made hereby. Said consent shall be void ab initio if the Secretary determines that Buyer, or any principal or interested party of the Buyer, is debarred, suspended or subject to a limited denial of participation under 24 CFR Part 24, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or nonprocurement programs.

**NOTHING** in this Agreement shall in anyway impair the HAP Contract or alter, waive, annul, vary or affect any provision, condition, covenant therein, except as herein specifically provided, or affect or impair any rights, powers, or remedies under the HAP Contract, it being the intent of the parties hereto that the terms and conditions of the HAP Contract shall continue in full force and effect except as amended hereby.

**IN WITNESS WHEREOF**, the Seller, the Buyer and the Contract Administrator have caused this Agreement to be executed.

[SIGNATURE PAGES TO FOLLOW]

Project Name: Hopewell Heights  
Project Location: Hopewell, Virginia  
HAP Contract #VA36-H027-085

**SELLER:**

**HOPEWELL HEIGHTS ASSOCIATES,  
A LIMITED PARTNERSHIP,**  
a Virginia limited partnership

By: NDC Realty Investments, LLC,  
a Pennsylvania limited liability company,  
its Managing General Partner

By: Keystone Values, LLC,  
a Delaware limited liability company,  
its Sole Member

By:   
Name: Howard Earl Cohen  
Title: Authorized Officer

**BUYER:**

**ENV – HOPEWELL HEIGHTS, LP,**  
a Virginia limited partnership

By: ENV – Hopewell Heights GP, LLC,  
a Virginia limited liability company,  
its General Partner

By: LRC GP, LLC,  
a Delaware limited liability company,  
its Sole Member

By: Envolve Communities, LLC,  
a Delaware limited liability company,  
its Sole Member

By: Kea Calame  
Name: Kea Calame  
Title: Senior Vice President

Project Name: Hopewell Heights  
Project Location: Hopewell, Virginia  
HAP Contract #VA36-H027-085

**CONTRACT ADMINISTRATOR: (HUD)**

**UNITED STATES OF AMERICA,  
SECRETARY OF THE DEPARTMENT  
OF HOUSING AND URBAN DEVELOPMENT**

By:  Digitally signed by: Judith Parker  
DN: CN = Judith Parker email = judith.parker@hud.gov C = US O = U.S. Department of Housing and Urban Development OU = Multifamily  
Date: 2020.10.12 12:03:15 -04'00'  
Name:  
Title:

Project Name: Hopewell Heights  
Project Location: Hopewell, Virginia  
HAP Contract #VA36-H027-085

**EXHIBIT A**

HAP Contract

See attached.

**U.S. Department of Housing and Urban Development  
Office of Housing**

**Project-based Section 8**

**HOUSING ASSISTANCE PAYMENTS  
BASIC RENEWAL CONTRACT  
ONE-YEAR TERM**

OMB Control #2502-0587

"Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for obtaining a signature on legally binding documents and will be used to enforce contractual obligations. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it has a currently valid OMB control number. No confidentiality is assured."

**PREPARATION OF CONTRACT**

Reference numbers in this form refer to notes at the end of the contract text. These endnotes are instructions for preparation of the Basic Renewal Contract. The instructions are not part of the Renewal Contract

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<b>3 DEFINITIONS</b>	<b>3</b>
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**U.S. Department of Housing and Urban Development  
Office of Housing**

**Project-based Section 8**

**HOUSING ASSISTANCE PAYMENTS**

**BASIC RENEWAL CONTRACT<sup>1</sup>**

**ONE-YEAR TERM**

**1 CONTRACT INFORMATION<sup>2</sup>**

**PROJECT**

**Section 8 Project Number:** 800021888

**Section 8 Project Number of Expiring Contract:** VA36-H027-085

**FHA Project Number (if applicable):** N/A

**Project Name:** Hopewell Heights

**Project Description:**

4105 Old Iron Court, Hopewell, VA 23860

**TYPE OF RENEWAL**

- Check this box for a project renewed under Section 524(a) of MAHRA (not including a Mark-Up-To-Market renewal).
- Check this box for a project renewed at exception rents under Section 524(b)(1) of MAHRA.

**PARTIES TO RENEWAL CONTRACT**

**Name of Contract Administrator<sup>4</sup>**

UNITED STATES OF AMERICA - DEPARTMENT  
OF HOUSING AND URBAN DEVELOPMENT

---

**Address of Contract Administrator**

100 SOUTH CHARLES STREET, SUITE 500  
BALTIMORE, MARYLAND 21201

---

**Name of Owner<sup>5</sup>**

HOPEWELL HEIGHTS ASSOCIATES

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**Address of Owner**

C/O BEACON COMMUNITIES LLC.  
2 CENTER PLAZA, SUITE 700  
BOSTON, MA 02108

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**2 TERM AND FUNDING OF RENEWAL CONTRACT**

- a The Renewal Contract begins on 8/1/2020<sup>6</sup> and shall run for a period of one year.
- b Execution of the Renewal Contract by the Contract Administrator is an obligation by HUD of \$ 936,000<sup>7</sup>, an amount sufficient to provide housing assistance payments for approximately 7<sup>8</sup> months of the Renewal Contract term.
- c HUD will provide additional funding for the remainder of the Renewal Contract term subject to the availability of sufficient appropriations. When such appropriations are available, HUD will

obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate period of time within the Renewal Contract term to which it will be applied.

### 3 DEFINITIONS

**ACC.** Annual contributions contract.

**Contract rent.** The total monthly rent to owner for a contract unit, including the tenant rent (the portion of rent to owner paid by the assisted family).

**Contract units.** The units in the Project which are identified in Exhibit A by size and applicable contract rents.

**HAP contract.** A housing assistance payments contract between the Contract Administrator and the Owner.

**HUD.** The United States Department of Housing and Urban Development.

**HUD requirements.** HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract.

**MAHRA.** The Multifamily Assisted Housing Reform and Affordability Act of 1997 (Title V of Public Law No.105-65, October 27, 1997, 111 Stat. 1384), as amended.

**PHA.** Public housing agency (as defined and qualified in accordance with the United States Housing Act of 1937. 42 U.S.C. 1437 et seq.).

**Project.** The housing described in section 1 of the Renewal Contract.

**Renewal Contract.** This contract, including applicable provisions of the Expiring Contract (as determined in accordance with section 5 of the Renewal Contract).

**Section 8.** Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f)

**4 RENEWAL CONTRACT****a Parties**

- (1) The Renewal Contract is a housing assistance payments contract ("HAP Contract") between the Contract Administrator and the Owner of the Project (see section 1).
- (2) If HUD is the Contract Administrator, HUD may assign the Renewal Contract to a public housing agency ("PHA") for the purpose of PHA administration of the Renewal Contract, as Contract Administrator, in accordance with the Renewal Contract (during the term of the annual contributions contract ("ACC") between HUD and the PHA). Notwithstanding such assignment, HUD shall remain a party to the provisions of the Renewal Contract that specify HUD's role pursuant to the Renewal Contract, including such provisions of section 9 (HUD requirements), section 10 (statutory changes during term) and section 11 (PHA default), of the Renewal Contract.

**b Statutory authority**

The Renewal Contract is entered pursuant to section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), and section 524 of MAHRA.

**c Expiring Contract**

Previously, the Contract Administrator and the Owner had entered into a HAP Contract ("expiring contract") to make Section 8 housing assistance payments to the Owner for eligible families living in the Project. The term of the expiring contract will end prior to the beginning of the term of the Renewal Contract.

**d Purpose of Renewal Contract**

- (1) The purpose of the Renewal Contract is to renew the expiring contract for a one-year term. During the term of the Renewal Contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract.
- (2) Housing assistance payments shall only be paid to the Owner for contract units occupied by eligible families leasing

decent, safe and sanitary units from the Owner in accordance with statutory requirements, and with all HUD regulations and other requirements. If the Contract Administrator determines that the Owner has failed to maintain one or more contract units in decent, safe and sanitary condition, and has abated housing assistance payments to the Owner for such units, the Contract Administrator may use amounts otherwise payable to the Owner pursuant to the Renewal Contract for the purpose of relocating or rehousing assisted residents in other housing.

**e Contract units**

The Renewal Contract applies to the Contract units.

**5 EXPIRING CONTRACT – PROVISIONS RENEWED**

- a** Except as specifically modified by the Renewal Contract, all provisions of the Expiring Contract are renewed (to the extent such provisions are consistent with statutory requirements in effect at the beginning of the Renewal Contract term).
- b** All provisions of the Expiring Contract concerning any of the following subjects are not renewed, and shall not be applicable during the renewal term:
  - (1)** Identification of contract units by size and applicable contract rents;
  - (2)** The amount of the monthly contract rents;
  - (3)** Contract rent adjustments; and
  - (4)** Project account (sometimes called “HAP reserve” or “project reserve”) as previously established and maintained by HUD pursuant to former Section 8(c)(6) of the United States Housing Act of 1937 (currently Section 8(c)(5) of the Act, 42 U.S.C. 1437f(c)(5)). Section 8(c)(5) does not apply to the Renewal Contract, or to payment of housing assistance payments during the Renewal Contract term.
- c** The Renewal Contract includes those provisions of the Expiring Contract that are renewed in accordance with this section 5.

**6 CONTRACT RENT****a Contract rents**

Throughout the Renewal Contract term, the contract rent for each bedroom size (number of bedrooms) shall be the contract rent amount listed in Exhibit A of the Renewal Contract.

**b No rent adjustments**

There shall be no adjustment of the contract rents during the term of the Renewal Contract. Special adjustments shall not be granted.

**7 OWNER WARRANTIES**

**a** The Owner warrants that it has the legal right to execute the Renewal Contract and to lease dwelling units covered by the contract.

**b** The Owner warrants that the rental units to be leased by the Owner under the Renewal Contract are in decent, safe and sanitary condition (as defined and determined in accordance with HUD regulations and procedures), and shall be maintained in such condition during the term of the Renewal Contract.

**8 OWNER TERMINATION NOTICE**

**a** Before termination of the Renewal Contract, the Owner shall provide written notice to the Contract Administrator and each assisted family in accordance with HUD requirements.

**b** If the Owner fails to provide such notice in accordance with the law and HUD requirements, the Owner may not increase the tenant rent payment for any assisted family until such time as the Owner has provided such notice for the required period.

**9 HUD REQUIREMENTS**

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD requirements that are inconsistent with the provisions of the Renewal Contract, including the provisions of section 6 (contract rent), shall not be applicable.

**10 STATUTORY CHANGES DURING TERM**

If any statutory change during the term of the Renewal Contract is inconsistent with section 6 of the Renewal Contract, and if HUD determines, and so notifies the Contract Administrator and the Owner, that the Contract Administrator is unable to carry out the provisions of section 6 because of such statutory change, then the Contract Administrator or the Owner may terminate the Renewal Contract upon notice to the other party.

**11 PHA DEFAULT**

- a** This section 11 of the Renewal Contract applies if the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD. This includes a case where HUD has assigned the Renewal Contract to a PHA Contract Administrator, for the purpose of PHA administration of the Renewal Contract.
- b** If HUD determines that the PHA has committed a material and substantial breach of the PHA's obligation, as Contract Administrator, to make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract, and that the Owner is not in default of its obligations under the Renewal Contract, HUD shall take any action HUD determines necessary for the continuation of housing assistance payments to the Owner in accordance with the Renewal Contract.

**12 EXCLUSION OF THIRD-PARTY RIGHTS**

- a** The Contract Administrator does not assume any responsibility for injury to, or any liability to, any person injured as a result of the Owner's action or failure to act in connection with the Contract Administrator's implementation of the Renewal Contract, or as a result of any other action or failure to act by the Owner.
- b** The Owner is not the agent of the Contract Administrator or HUD, and the Renewal Contract does not create or affect any relationship between the Contract Administrator or HUD and any lender to the Owner or any suppliers, employees, contractors or subcontractors used by the Owner in connection with implementation of the Renewal Contract.

- c** If the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD, the Contract Administrator is not the agent of HUD, and the Renewal Contract does not create any relationship between HUD and any suppliers, employees, contractors or subcontractors used by the Contract Administrator to carry out functions or responsibilities in connection with contract administration under the ACC.

**13 WRITTEN NOTICES**

- a** Any notice by the Contract Administrator or the Owner to the other party pursuant to the Renewal Contract shall be given in writing.
- b** A party shall give notice at the other party's address specified in section 1 of the Renewal Contract, or at such other address as the other party has designated by a contract notice. A party gives notice to the other party by taking steps reasonably required to deliver the notice in ordinary course of business. A party receives notice when the notice is duly delivered at the party's designated address.

**SIGNATURES**

**Contract administrator (HUD or PHA)**

Name of Contract Administrator

\_\_\_\_\_

By: \_\_\_\_\_

Signature of authorized representative

\_\_\_\_\_  
Name and official title

Date \_\_\_\_\_

**U.S. Department of Housing and Urban Development**

By: \_\_\_\_\_

Signature of authorized representative

\_\_\_\_\_  
Name and official title

Date \_\_\_\_\_

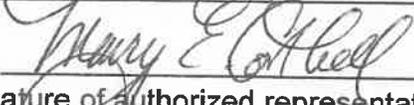
**Owner**

Name of Owner

\_\_\_\_\_  
Hopewell Heights Associates

By: NDC Realty Investments LLC, its Managing General Partner

By: Keystone Values LLC, sole member

By:  \_\_\_\_\_

Signature of authorized representative

\_\_\_\_\_  
Mary E. Corthell, Authorized Officer

Name and title

Date 6/29/2020

HUD-9636

Basic Renewal Contract  
One-Year Term  
REV 11-05-2007



## INSTRUCTIONS FOR PREPARATION OF RENEWAL CONTRACT

The following instructions are not part of the Renewal Contract.

Endnote numbers are keyed to references in the text of the Renewal Contract.

<sup>1</sup> This form of Renewal Contract is to be used for initial and subsequent renewals of an expiring Section 8 project-based HAP contract under the authority of Section 524(a) or 524(b)(1) of MAHRA for a one-year term. Attachment 11-2 is to be used for renewals under the authority of Section 524(a) or 524(b)(1) of MAHRA for a renewal term of two or more years.

This form may not be used for Mark-Up-To-Market Renewals. The HUD prescribed form of Mark-Up-To-Market Renewal Contract must be used for this purpose.

Section 2 of the Renewal Contract specifies the date on which the one-year renewal term begins.

<sup>2</sup> To prepare the Renewal Contract for execution by the parties, fill out all contract information in section 1 and section 2.

<sup>3</sup> Enter a description of the housing that will be covered by the Renewal Contract. The description must clearly identify the Project by providing the Project's name, street address, city, county, state and zip code, block and lot number (if known), and any other information necessary to clearly designate the covered Project.

If necessary, attach an exhibit with a site plan, legal description or other descriptive information. Enter a reference to the attached exhibit.

<sup>4</sup> Enter the name of the Contract Administrator that executes the Renewal Contract. If HUD is the Contract Administrator, enter "United States of America – Department of Housing and Urban Development (HUD)". If the Contract Administrator is a public housing agency ("PHA"), enter the full legal name of the PHA.

<sup>5</sup> Enter the full legal name of the Owner. For example: "ABC Corporation, Inc., a Maryland corporation."

<sup>6</sup> The Renewal Contract must be entered before expiration of the Expiring Contract. Enter the date of the first day after expiration of the term of the Expiring Contract.

<sup>7</sup> Enter the amount of funding obligated.

<sup>8</sup> Enter a whole number of months.

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM  
HOUSING FINANCE AND DEVELOPMENT AGENCIES

E-20  
FILE

PART I OF THE

HOUSING ASSISTANCE PAYMENTS CONTRACT

NEW CONSTRUCTION OR SUBSTANTIAL REHABILITATION

MASTER SECTION 8 ACC NUMBER: P-5512	ACC LIST NUMBER AND DATE: P-78-108 4/28/78	NEW CONSTRUCTION PROJECT NUMBER: VA 36-H027-085 SUBSTANTIAL REHABILITATION PROJECT NUMBER: <i>Hopewell Heights</i>
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This Housing Assistance Payments Contract ("Contract") is entered into by and between the Virginia Housing Development Authority a housing finance agency ("HFA"), which is a public housing agency as defined in the United States Housing Act of 1937, 42 U.S.C. 1437, et seq. ("Act"), at section 1437a(6), and Hopewell Heights Associates, a Va. limited partnership, and approved by the United States of America acting through the Department of Housing and Urban Development ("Government"), pursuant to the Act and the Department of Housing and Urban Development Act, 42 U.S.C. 3531, et seq.

The parties hereto agree as follows:

1.1 SIGNIFICANT DATES AND OTHER ITEMS: CONTENTS OF CONTRACT.

- a. Effective Date of Contract. The effective date of this Contract is See Execution Pages, 19  . (This date shall be no earlier than the date of submission by the HFA to the Government of the certifications required by 24 CFR, Section 883.316(a)-1.)
- b. Initial Term of Contract. The initial term of this Contract (see Section 1.4a) shall be 5 years (not to exceed five years), beginning with the effective date of this Contract and ending See Execution Pages, 19  .
- c. Number and Length of Optional Additional Terms. The number and length of optional additional terms (see Section 1.4a) shall be 7 terms of 5 years each (not to exceed five years each).
- d. Maximum Total Term of Contract. The maximum total term of this Contract for any unit, including all renewals, shall be as specified in Section 1.4a.
- e. Fiscal Year. The ending date of each Fiscal Year (see Section 1.4b) shall be June 30 (insert March 31, June 30, September 30, or December 31, as determined by the Government).
- f. Annual Contributions Contract. The Annual Contributions Contract applicable to this Contract ("ACC") (see Section 1.5a) is the ACC dated May 2, 1978, with respect to Project No. VA 36-H027-085.
- g. Maximum Housing Assistance Commitment. The maximum amount of the commitment for housing assistance payments under this Contract (see Section 1.6a) is \$598,800.00 per annum. (Enter amount specified in the ACC for housing assistance payments, exclusive of the Financing Cost Contingency.) This amount shall be subject to increase pursuant to Section 1.5e(2) or 1.5f(3) of the Agreement or Section 1.9e(3) of this Contract, as appropriate.
- h. Percent of Units to be Leased to Very Low-Income Families. In the initial renting of the Contract Units, the minimum percentage of those units required to be leased to Very Low-Income Families (see Section 1.10c(1)) shall be 30 percent.
- i. Contents of Contract. This Contract consists of Part I, Part II, and the following exhibits:  
Ex A: The schedule showing the number of units by size ("Contract Units") and their applicable rents ("Contract Rents");  
Exhibit B: The project description;  
Exhibit C: The statement of services, maintenance and utilities to be provided by Owner;  
Exhibit D: The Affirmative Fair Housing Marketing Plan, if applicable; and  
Additional exhibits: [Specify additional exhibits, if any. If none, insert "None."] Exhibit A-1 et seq. to be attached as stages are completed.

This Contract, including said exhibits, comprises the entire agreement between the parties hereto with respect to the matters contained herein, and neither party is bound by any representations or agreements of any kind except as contained herein or except agreements entered into in writing which are not inconsistent with this Contract.

1.2 OWNER'S WARRANTIES.

- a. Legal Capacity. The Owner warrants that he has the legal right to execute this Contract and to lease dwelling units covered by this Contract.
- b. Completion of Work. The Owner warrants that the project as described in Exhibit D is in good and tenantable condition and that the project has been completed in accordance with the terms and conditions of the Agreement to Enter into Housing Assistance Payments Contract ("Agreement") or will be completed in accordance with the terms on which the project was accepted. The Owner further warrants that he will remedy any defects or omissions covered by this warranty if called to his attention within 12 months of the effective date of this Contract. The Owner and the HFA agree that the continuation of this Contract shall be subject to the conditions set forth in Section 1.4b of the Agreement.

1.3 FAMILIES TO BE HOUSED; HFA ASSISTANCE.

- a. Families to Be Housed. The Contract Units are to be leased by the Owner to eligible Lower-Income Families ("Families") for use and occupancy by such Families solely as private dwellings.
- b. HFA Assistance.
  - (1) The HFA hereby agrees to make housing assistance payments on behalf of Families for the Contract Units, to enable such Families to lease Decent, Safe, and Sanitary housing pursuant to section 8 of the Act. Such housing assistance payments shall equal the difference between the Contract Rents for units leased by Families and the portion of such rents payable by Families as determined by the Owner in accordance with schedules and criteria established by the Government.

- (2) If there is an Allowance for Utilities and Other Services and if such Allowance exceeds the Gross Family Contribution, the Owner shall pay the Family the amount of such excess on behalf of the HFA upon receipt of funds from the HFA for that purpose.

#### 1.4 TERM OF CONTRACT: FISCAL YEAR.

- a. Term of Contract.  
[Alternative provisions—incorporate alternative 1, 2, or 3, as applicable.]

##### ALTERNATIVE 1—GENERAL:

The initial term of this Contract shall be as stated in Section 1.1b. This Contract may be renewed for the number and length of additional terms stated in Section 1.1c, provided that the total Contract term for any unit, including all renewals, shall not exceed the shorter of (1) 40 years or (2) a period terminating on the date of the last payment of principal due on the permanent financing [insert in (1) a number of years equal to the maximum anticipated number of years during which assistance payments will be made, not to exceed 40 years]. Renewals shall be automatic unless either party notifies the other in writing, no later than 60 days prior to the expiration of the current term, of his desire not to renew, and the other party agrees in writing that there shall be no renewal. If the project is completed in stages, the dates for the initial term and renewal terms shall be separately related to the units in each stage; Provided, however, that the total Contract term for all the stages, beginning with the effective date of the Contract with respect to the first stage, shall not exceed the total Contract term for any unit specified in this paragraph, plus two years. In any case where the project is owned by, or financed by a loan or loan guarantee from, a State or local agency, the housing assistance payments pursuant to this Contract with respect to any dwelling unit shall be payable over a period not to exceed 40 years.

##### ~~ALTERNATIVE 2—FOR MOBILE HOMES PROJECT~~

In the case of mobile homes, the initial term of this Contract for each mobile home shall be as stated in Section 1.1b. This Contract may be renewed with respect to any mobile home for the number and length of additional terms as stated in Section 1.1c, provided that the total Contract term for any mobile home, including all renewals, shall not exceed \_\_\_\_\_ years. [Insert number as authorized by the Government pursuant to 24 CFR Section 883.206.] Renewals shall become effective only if either party gives written notice, with a copy to the Government, no later than 60 days prior to the expiration of the current term, of his desire to renew, and the other party and the Government give their written concurrence and approval, respectively, before the expiration of the current term. If the project is completed in stages, the dates for the initial term and renewal terms shall be separately related to the mobile home in each stage; Provided, however, that the total Contract term for all the stages, beginning with the effective date of the Contract with respect to the first stage, shall not exceed the total Contract term stated in Section 1.1d, plus two years. For purposes of this paragraph a, the term "mobile home" means the original mobile home and any replacements combined.

##### ~~ALTERNATIVE 3—FOR CERTAIN SUBSTANTIAL REHABILITATION PROJECTS~~

For a Substantial Rehabilitation project, where the relative cost of the rehabilitation is less than 15 percent of the value of the project after completion of the rehabilitation, the Contract shall be for one term of not more than five years for any dwelling unit. If the project is completed in stages, this term shall be separately related to the units in each stage; Provided, however, that the total Contract term for all the stages, beginning with the effective date of the Contract with respect to the first stage, shall not exceed said Contract term, plus two years.

- b. Fiscal Year. The Fiscal Year for the project shall be the 12-month period ending on the date stated in Section 1.1c; Provided, however, that the first Fiscal Year for the project shall be the period beginning with the effective date of the Contract and ending on the last day of said established Fiscal Year which is not less than 12 months after such effective date. If the first Fiscal Year exceeds 12 months, the maximum total annual housing assistance payment in Section 1.6a may be adjusted by the addition of the pro rata amount applicable to the period of operation in excess of 12 months.

#### 1.5 ANNUAL CONTRIBUTIONS CONTRACT.

- a. Identification of Annual Contributions Contract. The HFA has entered into an Annual Contributions Contract with the Government, as identified in Section 1.1f, under which the Government will provide financial assistance to the HFA pursuant to section 8 of the Act for the purpose of making housing assistance payments. A copy of the ACC shall be provided upon request.
- b. HFA Pledge of ACC Payments. The HFA hereby pledges to the payment of housing assistance payments pursuant to this Contract and annual contributions payable under the ACC for such housing assistance payments. The HFA shall not, without the consent of the Owner, amend or modify the ACC in any manner which would reduce the amount of such annual contributions, except as authorized in the ACC and this Contract.
- c. Government Approval of Housing Assistance Payments Contract. The approval of this Contract by the Government signifies that the Government has executed the ACC and that the ACC has been properly authorized; that the faith of the United States is solemnly pledged to the payment of annual contributions pursuant to said ACC; and that funds have been obligated by the Government for such payments to assist the HFA in the performance of its obligations under the Contract.

#### 1.6 MAXIMUM HOUSING ASSISTANCE COMMITMENT; PROJECT ACCOUNT.

- a. Maximum Housing Assistance Commitment. Notwithstanding any other provisions of this Contract (other than paragraph b of this Section) or any provisions of any other contract between the HFA and the Owner, the HFA shall not be obligated to make and shall not make any housing assistance payments under this Contract in excess of the amount per annum stated in Section 1.1g; Provided, however, that this amount shall be reduced commensurately with any reduction in the number of Contract Units or in the Contract Rents or pursuant to any other provision of the ACC or this Contract (except reductions in Contract Rents pursuant to Section 1.4e(1)).
- b. Project Account. As provided in the ACC, in order to assure that housing assistance payments will be increased on a timely basis to cover increases in Contract Rents or decreases in Family Incomes:
- (1) A Project Account shall be established and maintained in an amount as determined by the Government consistent with its responsibilities under section 8(c)(6) of the Act, out of amounts by which the Maximum ACC Commitment per year (exclusive of any Financing Cost Contingency) exceeds amounts paid under the ACC for any Fiscal Year. This account shall be established and maintained by the Government as a specifically identified and segregated account. In the extent funds are available in said account, the maximum total annual housing assistance payments for any Fiscal Year may exceed the maximum amount stated in paragraph a of this Section to cover increases in Contract Rents or decreases in Family Incomes (see Section 1.9). Any amount remaining in said account after payment of the last housing assistance payment with respect to the project shall be applied by the Government in accordance with law.
- (2) Whenever the Government approved estimate of the required Annual Contribution exceeds the Maximum ACC Commitment then in effect (exclusive of any Financing Cost Contingency), and would cause the amount in the Project Account to be less than an amount equal to 40 percent of such Maximum ACC Commitment, the Government shall, within a reasonable period of time, take such additional steps authorized by section 8(c)(6) of the Act as may be necessary to carry out this assurance, including (as provided in that section of the Act) "the reservation of annual contributions authority for the purpose of amending housing assistance contracts or the allocation of a portion of new authorizations for the purpose of amending housing assistance contracts."

## 1.7 HOUSING ASSISTANCE PAYMENTS TO OWNERS.

### a. General.

- (1) Housing assistance payments shall be paid to the Owner for units under lease by Families in accordance with the Contract. The housing assistance payment will cover the difference between the Contract Rent and that portion of said rent payable by the Family as determined in accordance with the Government-established schedules and criteria.
- (2) The amount of housing assistance payment payable on behalf of a Family and the amount of rent payable by such Family shall be subject to change by reason of changes in Family Income, Family composition, or extent of exceptional medical or other unusual expenses in accordance with the Government-established schedules and criteria; or by reason of adjustment by the HFA of any applicable Allowance for Utilities and Other Services. Any such change shall be effective as of the date stated in a notification of such change to the Family.

- b. Vacancies During Rent-up. If a Contract Unit is not leased as of the effective date of the Contract, the Owner shall be entitled to housing assistance payments in the amount of 80 percent of the Contract Rent for the unit for a vacancy period not exceeding 60 days from the effective date of the Contract, provided that the Owner (1) commenced marketing and otherwise complied with Section 1.3b of the Agreement, (2) has taken and continues to take all feasible actions to fill the vacancy, including, but not limited to, contacting applicants on his waiting list, if any, requesting the HFA and other appropriate sources to refer eligible applicants, and advertising the availability of the unit, and (3) has not rejected any eligible applicant, except for good cause acceptable to the HFA.

### c. Vacancies After Rent-up.

- (1) If a Family vacates its unit (other than as a result of action by the Owner which is in violation of the Lease or the Contract or any applicable law), the Owner shall receive housing assistance payments in the amount of 80 percent of the Contract Rent for a vacancy period not exceeding 60 days; Provided, however, that if the Owner collects any of the Family's share of the rent for this period in an amount which, when added to the 80 percent payments, results in more than the Contract Rent, such excess shall be payable to the Government or as the Government may direct. (See also Section 1.10b.) The Owner shall not be entitled to any payment under this subparagraph unless he: (i) immediately upon learning of the vacancy, has notified the HFA of the vacancy or prospective vacancy and the reasons for the vacancy, and (ii) has taken and continues to take the actions specified in paragraphs b(2) and b(3) of this Section.
- (2) If the Owner evicts a Family, he shall not be entitled to any payment under paragraph c(1) of this Section unless the request for such payment is supported by a certification that (i) he gave such Family a written notice of the proposed eviction, stating the grounds and advising the Family that it had 10 days within which to present its objections to the Owner in writing or in person and (ii) the proposed eviction was not in violation of the Lease or the Contract or any applicable law.

- d. Limitation on Payments for Vacant Units. The Owner shall not be entitled to housing assistance payments with respect to vacant units under this Section to the extent he is entitled to payments from other sources (e.g., payments for losses of rental income incurred for holding units vacant for relocatees pursuant to Title I of the Housing and Community Development Act of 1974 or payments under Section 1.10b of this Contract).

- e. HFA Not Obligated for Family Rent. The HFA has not assumed any obligation for the amount of rent payable by any Family or the satisfaction of any claim by the Owner against any Family other than in accordance with Section 1.10b of this Contract.

### f. Owner's Monthly Requests for Payments.

- (1) The Owner shall submit monthly requests to the HFA or as directed by the HFA for housing assistance payments. Each such request shall set forth: (i) the name of each Family and the address and/or number of the unit leased by the Family; (ii) the address and/or number of units, if any, not leased to Families for which the Owner is claiming payments; (iii) the Contract Rent as set forth in Exhibit A for each unit for which the Owner is claiming payments; (iv) the amount of rent payable by the Family leasing the unit (or, where appropriate, the amount to be paid the Family in accordance with Section 1.3b(2)); and (v) the total amount of housing assistance payments requested by the Owner.
- (2) Each of the Owner's monthly requests shall contain a certification by him that to the best of his knowledge and belief (i) the dwelling unit is in Decent, Safe, and Sanitary condition, (ii) all the other facts and data on which the request for funds is based are true and correct, (iii) the amount requested has been calculated in accordance with the provisions of this Contract and is payable under the Contract, and (iv) none of the amount claimed has been previously claimed or paid.
- (3) If the Owner has received an excessive payment, the HFA or the Government, in addition to any other rights to recovery, may deduct the amount from any subsequent payment or payments.
- (4) The Owner's monthly requests for housing assistance payments shall be made subject to penalty under 18 U.S.C. 1001, which provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

### g. Recoupment of Savings in Financing Cost.

- (1) In the event that interim financing is used and is continued after the first year of the term of the Contract and the debt service of the interim financing for any period of three months, after such first year, is less than the anticipated debt service under the permanent financing on which the Contract Rents were based, an amount reflecting the savings in financing cost, computed in accordance with paragraph g(2) of this Section, shall be credited by the Government to the Project Account, and withheld from housing assistance payments to the Owner. If during the course of the same year there is any period of three months in which the debt service is greater than the anticipated debt service under the permanent financing, an adjustment shall be made so that only the net amount of savings in financing cost for the year is credited by the Government to the Project Account and withheld by the HFA from the Owner as aforesaid (no increased payments shall be made to the Owner on account of any net excess for the year of actual interim debt service over the anticipated debt service under the permanent financing). Nothing in this paragraph shall be construed as requiring a reduction in the Contract Rents or precluding adjustments of Contract Rents in accordance with Section 1.9.
- (2) The computation and recoupment under this paragraph g may be made on an annual or on a quarterly or other periodic basis, but in any event no later than as of the end of each Fiscal Year; Provided, however, that if recoupment is to be made less often than quarterly, the amounts of recoupment shall be computed on at least a quarterly basis and funds shall be deposited in a special account from which withdrawals may be made only with the authorization of the HFA. The manner of computing the amount of recoupment shall be as follows:
  - (i) Determine the amount by which the debt service for the interim financing for the period in question is less than the anticipated debt service under the permanent financing on which the Contract Rents were based;
  - (ii) Determine what percentage the amount found under paragraph g(2)(i) of this Section is of the aggregate Contract Rents for all Contract Units for the period in question;

(iii) Apply the percentage found in paragraph g(2)(ii) of this Section to the aggregate Contract Rents for those Contract Units which are included in the Owner's claim(s) for housing assistance payments for the period in question; and

(iv) The amount found in paragraph g(2)(iii) of this Section shall be credited to the Project Account and withheld from the next housing assistance payment or payments to the Owner.

h' Payments by HFA. The amount of the housing assistance payment, determined in accordance with the provisions of this Contract, up to the amount of the mortgage repayments due the HFA from the Owner pursuant to the mortgage loan made by the HFA for the project, shall be credited to the Owner and transferred monthly by the HFA from the account maintained under the General Depository Agreement pursuant to the ACC to the trustee under the note or bond resolution of the HFA under which the notes or bonds to provide the mortgage loan were issued. Any amount of the housing assistance payment in excess of such credit shall be paid by the HFA directly to the Owner.

1. Debt Service Payments.

- (1) If a unit continues to be vacant after the 60-day period specified in paragraph (b) or (c) of this section, the Owner may submit a claim to receive additional housing assistance payments on a semiannual basis with respect to such a vacant unit in an amount equal to the principal and interest payments required to amortize the portion of the debt attributable to that unit for the period of the vacancy, whether such vacancy commenced during rent-up or after rent-up.
- (2) Additional payments under this paragraph (1) for any unit shall not be for more than 12 months for any vacancy period, and shall be made only if:
  - (i) The unit is not in a project insured under the National Housing Act except pursuant to Section 244 of that Act.
  - (ii) The unit was in decent, safe, and sanitary condition during the vacancy period for which payments are claimed.
  - (iii) The Owner has taken and is continuing to take the actions specified in paragraphs (b)(1), (2) and (3) or paragraphs (c)(1)(i) and (ii) and (c)(2) of this section, as appropriate.
  - (iv) The Owner has demonstrated in connection with the semiannual claim on a form and in accordance with the standards prescribed by the Government with respect to the period of vacancy, that the project is not providing the Owner with revenues at least equal to the project costs incurred by the Owner, and that the amount of the payments requested is not in excess of that portion of the deficiency which is attributable to the vacant units for the period of the vacancies.
  - (v) The Owner has submitted, in connection with the semiannual claim, a statement with relevant supporting evidence that there is a reasonable prospect that the project can achieve financial soundness within a reasonable time. The statement shall indicate the causes of the deficiency; the corrective steps that have been and will be taken; and the time by which it is expected that the project revenues will at least equal project costs without the additional payments provided under this paragraph.
- (3) The Government may deny any application for additional payments or suspend or terminate payments if it determines based on the Owner's statement and other evidence, that there is not a reasonable prospect that the project can achieve financial soundness within a reasonable time.

1.8 MAINTENANCE, OPERATION AND INSPECTION.

- a. Maintenance and Operation. The Owner agrees (1) to maintain and operate the Contract Units and related facilities so as to provide Decent, Safe, and Sanitary housing, and (2) to provide all the services, maintenance and utilities set forth in Exhibit C. If the HFA determines that the Owner is not meeting one or more of these obligations, the HFA shall have the right, in addition to its other rights and remedies under this Contract, to abate housing assistance payments in whole or in part.
- b. Inspections Prior to Occupancy.
  - (1) Prior to occupancy of any unit by a Family, the Owner and the Family shall inspect the unit and both shall certify, on forms prescribed by the Government, that they have inspected the unit and have determined it to be Decent, Safe, and Sanitary in accordance with the criteria provided in the prescribed forms. Copies of these reports shall be kept on file by the Owner for at least three years.
  - (2) The HFA shall inspect or cause to be inspected each Contract Unit and related facilities at least annually and at such other times (including prior to initial occupancy and rerenting of any unit) as may be necessary to assure that the Owner is meeting his obligation to maintain the units in Decent, Safe, and Sanitary condition and to provide the agreed upon utilities and other services. The HFA shall take into account complaints by occupants and any other information coming to its attention in scheduling inspections and shall notify the Owner and the Family of its determination.
- c. Units Not Decent, Safe, and Sanitary. If the HFA notifies the Owner that he has failed to maintain a dwelling unit in Decent, Safe, and Sanitary condition and the Owner fails to take corrective action within the time prescribed in the notice, the HFA may exercise any of its rights or remedies under the Contract, including abatement of housing assistance payments, even if the Family continues to occupy the unit. If, however, the Family wishes to be rehoused in another dwelling unit with section 8 assistance and the HFA does not have other section 8 funds for such purposes, the HFA may use the abated housing assistance payments for the purpose of rehousing the Family in another dwelling unit. Where this is done, the Owner shall be notified that he will be entitled to resumption of housing assistance payments for the vacated dwelling unit if (1) the unit is restored to Decent, Safe, and Sanitary condition, (2) the Family is willing to and does move back into the restored unit, and (3) a deduction is made for the expenses incurred by the Family for both moves.
- d. Notification of Abatement. Any abatement of housing assistance payments shall be effective as provided in written notification to the Owner. The HFA shall promptly notify the Family of any such abatement.
- e. Overcrowded and Underoccupied Units. If the HFA determines that a Contract Unit is not Decent, Safe, and Sanitary by reason of increase in Family size, or that a Contract Unit is larger than appropriate for the size of the Family in occupancy, housing assistance payments with respect to such unit will not be abated, unless the Owner fails to offer the Family a suitable unit as soon as one becomes vacant and ready for occupancy. In the case of an overcrowded unit, if the Owner does not have any suitable units or if no vacancy of a suitable unit occurs within a reasonable time, the HFA will assist the Family in finding a suitable dwelling unit and require the Family to move to such a unit as soon as possible. The Owner may receive housing assistance payments for the vacated unit if he complies with the requirements of Section 1.7(c)(1).

1.9 RENT ADJUSTMENTS.

- a. Funding of Adjustments. Housing assistance payments will be made in increased amounts commensurate with Contract Rent adjustments under this Section up to the maximum amount authorized under Section 1.6 of this Contract.
- b. Automatic Annual Adjustments.
  - (1) Automatic Annual Adjustment Factors will be determined by the Government at least annually; interim revisions may be made as market conditions warrant. Such Factors and the basis for their determination will be published in the Federal Register. These published Factors will be reduced appropriately by the Government where utilities are paid directly by the Families.
  - (2) On each anniversary date of the Contract, the Contract Rents shall be adjusted by applying the applicable Automatic Annual Adjustment Factor most recently published by the Government. Contract Rents may be adjusted upward or downward, as may be appropriate; however, in no case shall the adjusted Contract Rents be less than the Contract Rents on the effective date of the Contract.

<sup>1</sup>Use of this Section 1.7h is optional.

- c. Special Additional Adjustments. Special additional adjustments shall be granted, when approved by the Government, to reflect increases in the actual and necessary expenses of owning and maintaining the Contract Units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs (i.e., assessments, and utilities not covered by regulated rates), but only if and to the extent that the Owner or the HFA clearly demonstrates that such general increases have caused increases in the Owner's operating costs which are not adequately compensated for by automatic annual adjustments. The Owner or the HFA shall submit to the Government financial statements which clearly support the increase.
- d. Overall Limitation. Notwithstanding any other provisions of this Contract, adjustments as provided in this Section shall not result in material differences between the rents charged for assisted and comparable unassisted units, as determined by the HFA (and approved by the Government, in the case of adjustments under paragraph c of this Section); provided, that this limitation shall not be construed to prohibit differences in rents between assisted and comparable unassisted units to the extent that such differences may have existed with respect to the Initial Contract Rents.
- e. Adjustment to Reflect Actual Cost of Permanent Financing. This paragraph e shall apply if the project is not permanently financed until after the effective date of the Contract. After the project is permanently financed, the HFA shall submit a certification to the Government as to the actual financing terms and the following provisions shall apply:
  - (1) If the actual debt service under the permanent financing is lower than the anticipated debt service on which the Contract Rents were based, the Contract Rents currently in effect shall be reduced commensurately, and the amount of the savings shall be credited to the Project Account. The Maximum ACC Commitment shall not be reduced except by the amount of the contingency, if any, which was included for possible increases under paragraph e(2) of this Section.
  - (2) If the actual debt service under the permanent financing is higher than the anticipated debt service on which the Contract Rents were based, and the HFA is using its set-aside for the project, the Contract Rents currently in effect shall be increased commensurately, not to exceed the limitations in this paragraph e(2) and the amount of the Financing Cost Contingency in the ACC, if the projected borrowing rate (net interest cost) was not less than the average net interest cost for the preceding quarter (at the time the projection was submitted to the Government) of the "20 Bond Index" published weekly in the Bond Buyer, plus 50 basis points. An adjustment under this paragraph e(2) shall not be more than is necessary to reflect an increase in debt service (based upon the original projected capital cost and the actual term of the permanent financing for the project) resulting from an increase in interest rate of not more than:
    - (i) One and one-half percent if the projected spread as submitted to the Government was three-fourths of one percent or less, or
    - (ii) One percent if such projected spread was more than three-fourths of one percent but not more than one percent, or
    - (iii) One-half of one percent if such projected spread was more than one percent.
  - (3) After Contract Rents have been adjusted in accordance with paragraph e(1) or e(2) of this Section, the maximum amount of the ACC commitment shall be reduced by the amount of any unused portion of the Financing Cost Contingency, and such portion shall be re-allocated to the then current set-aside of the HFA. If any. At the same time, if the Contract Rents have been increased in accordance with paragraph e(2) of this Section, the maximum Contract amount specified in Section 1.1 g shall be increased commensurately.
- f. Incorporation of Rent Adjustment. Any adjustment in Contract Rents shall be incorporated into Exhibit A by a dated addendum to the exhibit establishing the effective date of the adjustment.

#### 1.10 MARKETING AND LEASING OF UNITS.

- a. Compliance with Equal Opportunity. Marketing of units and selection of Families by the Owner shall be in accordance with the Owner's Government-approved Affirmative Fair Housing Marketing Plan, shown as Exhibit D, and with all regulations relating to fair housing advertising.
- b. Security and Utility Deposits.
  - (1) The Owner may require Families to pay a security deposit in an amount equal to one month's Gross Family Contribution. If a Family vacates its unit, the Owner, subject to State and local law, may utilize the deposit as reimbursement for any unpaid rent or other amount owed under the Lease. If the Family has provided a security deposit, and it is insufficient for such reimbursement, the Owner may claim reimbursement from the HFA, not to exceed an amount equal to the remainder of one month's Contract Rent. Any reimbursement under this Section shall be applied first toward any unpaid rent. If a Family vacates its unit owing no rent or other amount under the Lease, or if the amount owed is less than the amount of the security deposit, the Owner shall refund the full amount or the unused balance, as the case may be, to the Family.
  - (2) In those jurisdictions where interest is payable by the Owner on security deposits, the refunded amount shall include the amount of interest payable. All security deposit funds shall be deposited by the Owner in a segregated bank account, and the balance of this account, at all times, shall be equal to the total amount collected from tenants then in occupancy, plus any accrued interest. The Owner shall comply with all State and local laws regarding interest payments on security deposits.
  - (3) Families shall be expected to obtain the funds to pay security and utility deposits, if required, from their own resources and/or other private or public sources.
- c. Eligibility, Selection and Admission of Families.
  - (1) The Owner shall be responsible for determination of eligibility of applicants, selection of families from among those determined to be eligible, and computation of the amount of housing assistance payments on behalf of each selected Family in accordance with schedules and criteria established by the Government. In the initial renting of the Contract Units, the Owner shall lease at least that percentage of those units which is stated in Section 1.1h to Very Low-Income Families (determined in accordance with the Government-established schedules and criteria) and shall thereafter exercise his best efforts to maintain at least that percentage of occupancy of the Contract Units by Very Low-Income Families as determined in accordance with such schedules and criteria.
  - (2) The Lease entered into between the Owner and each selected Family shall be on the form of Lease approved by the HFA.
  - (3) The Owner shall make a reexamination of Family Income, composition, and the extent of medical or other unusual expenses incurred by the Family, at least annually (except that such reviews may be made at intervals of no longer than two years in the case of elderly Families), and appropriate redeterminations shall be made by the Owner of the amount of Family contribution and the amount of housing assistance payment, all in accordance with schedules and criteria established by the Government. In connection with the reexamination, the Owner shall determine what percentage of Families in occupancy are Very Low-Income Families. If there are fewer than the agreed to percentage of Very Low-Income Families in occupancy, the Owner shall report the fact to the HFA and shall adopt changes in his admission policies to achieve, as soon as possible, at least the agreed to percentage of occupancy by such Families.
- d. Rent Redetermination after Adjustment in Allowance for Utilities and Other Services. In the event that the Owner is notified of an HFA determination making an adjustment in the Allowance for Utilities and Other Services applicable to any of the Contract Units, the Owner shall promptly make a corresponding adjustment in the amount of rent to be paid by the affected Families and the amount of housing assistance payments.
- e. Processing of Applications and Complaints. The Owner shall process applications for admission, notifications to applicants, and complaints by applicants in accordance with applicable HFA or Government requirements and shall maintain records and furnish such copies or other information as may be required by the HFA or the Government.
- f. Review: Incorrect Payments. In making housing assistance payments to Owners, the HFA or the Government will review the Owner's determinations under this Section. If as a result of this review, or other reviews, audits or information received by the HFA or the Government at any time, it is determined that the Owner has received improper or excessive housing assistance payments, the HFA or the Government shall have the right to deduct the amount of such overpayments from any amounts otherwise due the Owner, or otherwise effect recovery thereof.

1.11 TERMINATION OF TENANCY. The Owner shall be responsible for termination of tenancies, including evictions. However, conditions for payment of housing assistance payments for any resulting vacancies shall be as set forth in Section 1.7c.

1.12 REDUCTION OF NUMBER OF CONTRACT UNITS FOR FAILURE TO LEASE TO ELIGIBLE FAMILIES.

- a. After First Year of Contract. If at any time, beginning six months after the effective date of this Contract, the Owner fails for a continuous period of six months to have at least 90 percent of the Contract Units leased or available for leasing by Families, the HFA, with Government approval, may on 30 days notice reduce the number of Contract Units to not less than the number of units under lease or available for leasing by Families, plus 10 percent of such number if the number is 10 or more, rounded to the next highest number.
- b. At End of Initial and Each Renewal Term. At the end of the initial term of the Contract and of each renewal term, the HFA, with Government approval, may, by notice to the Owner, reduce the number of Contract Units to not less than (1) the number of units under lease or available for leasing by Families at that time or (2) the average number of units so leased or available for leasing during the last year, whichever is the greater, plus 10 percent of such number if the number is 10 or more, rounded to the next highest number.
- c. Restoration of Units. The Government will agree to an amendment of the ACC to provide for subsequent restoration of any reduction made pursuant to paragraph a or b of this Section if the Government determines that the restoration is justified as a result of changes in demand and in the light of the Owner's record of compliance with his obligations under the Contract and if annual contributions contract authority is available; and the Government will take such steps authorized by section 8(c)(6) of the Act as may be necessary to carry out this assurance (see Section 1.6).

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

APPROVED:

United States of America  
Secretary of Housing and Urban Development

[If the project is to be completed and accepted in stages, execution of the Contract with respect to the several stages appears on the following pages of this Contract.]..

EXECUTION OF CONTRACT WITH RESPECT  
TO CONTRACT UNITS COMPLETED AND ACCEPTED IN STAGES

OWNER: HOPEWELL HEIGHTS ASSOCIATES,  
A Virginia Limited Partnership

HFA: VIRGINIA HOUSING DEVELOPMENT AUTHORITY

MASTER SECTION 8 NUMBER: P-5512

ACC LIST NUMBER & DATE: P-78-108; 4-28-78

PROJECT NUMBER: VA36-H027-085

STAGE: I

This Contract is hereby executed with respect to the units described in Exhibit A- I .

EFFECTIVE DATE - The effective date of this Contract with respect to the units described in Exhibit A- I is July 1 , 19 79.

INITIAL TERM OF CONTRACT - The initial term of this Contract with respect to the units described in Exhibit A- I shall be 5 years (not to exceed five years) beginning with the effective date of this Contract and ending June 30 , 19 84 .

Date July 1 , 19 79

HFA Virginia Housing Development Authority

By James R. Kelly  
Director of Housing Management  
(Official Title)

APPROVED:

Date July 1 , 19 79

United States of America  
Secretary of Housing and  
Urban Development

By James R. Kelly  
Deputy Director of Development  
(Official Title)

Date 8.3.79 , 19

EXHIBIT A-1

HOPEWELL HEIGHTS

Project No. VA36-H027-085

<u>Unit Type</u>	<u>No. Of Units</u>	<u>Contract Rent</u>	<u>Gross Rent</u>
2 BRTH	16	\$316	\$374
3 BRTH	4	353	426
4 BRTH	4	400	476

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM  
HOUSING FINANCE AND DEVELOPMENT AGENCIES

PART II OF THE

HOUSING ASSISTANCE PAYMENTS CONTRACT

NEW CONSTRUCTION OR SUBSTANTIAL REHABILITATION

MASTER SECTION 8 ACC NUMBER: P-5512	ACC LIST NUMBER AND DATE: P-78-108 4/28/78	NEW CONSTRUCTION PROJECT NUMBER: VA 36-H027-085
SUBSTANTIAL REHABILITATION PROJECT NUMBER:		

2.1 NONDISCRIMINATION IN HOUSING.

- a. The Owner shall not in the selection of Families, in the provision of services, or in any other manner, discriminate against any person on the grounds of race, color, creed, religion, sex, or national origin. No person shall be automatically excluded from participation in, or be denied the benefits of, the Housing Assistance Payments Program because of membership in a class such as unmarried mothers, recipients of public assistance, etc.
- b. The Owner shall comply with all requirements imposed by Title VIII of the Civil Rights Act of 1968, and any rules and regulations pursuant thereto.
- c. The Owner shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964, Public Law 88-352, 78 Stat. 241; the regulations of the Department of Housing and Urban Development issued thereunder, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; the requirements of said Department pursuant to said regulations; and Executive Order 11063 to the end that, in accordance with that Act, the regulations and requirements of said Department thereunder, and said Executive Order, no person in the United States shall, on the grounds of race, color, creed, religion or national origin, be excluded from participation in, or be denied the benefits of, the Housing Assistance Payments Program, or be otherwise subjected to discrimination. This provision is included pursuant to the regulations of the Department of Housing and Urban Development, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; issued under Title VI of the said Civil Rights Act of 1964, and the requirements of said Department pursuant to said regulations; and the obligation of the Owner to comply therewith inures to the benefit of the Government, the said Department, and the HFA, any of which shall be entitled to invoke any remedies available by law to redress any breach thereof or to compel compliance therewith by the Owner.

2.2 TRAINING, EMPLOYMENT, AND CONTRACTING OPPORTUNITIES FOR BUSINESSES AND LOWER-INCOME PERSONS.<sup>2</sup>

- a. The project assisted under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given lower-income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.
- b. Notwithstanding any other provision of this Contract, the Owner shall carry out the provisions of said section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR, Part 135 (published in 38 Federal Register 29220, October 23, 1973), and all applicable rules and orders of the Secretary issued thereunder prior to the execution of this Contract. The requirements of said regulation include, but are not limited to, development and implementation of an affirmative action plan for utilizing business concerns located within, or owned in substantial part by persons residing in, the area of the project; the making of a good faith effort, as defined by the regulations, to provide training, employment, and business opportunities required by section 3; and incorporation of the "section 3 clause" specified by section 135.20(b) of the regulations and paragraph d of this Section in all contracts for work in connection with the project. The Owner certifies and agrees that he is under no contractual or other disability which would prevent him from complying with these requirements.
- c. Compliance with the provisions of section 3, the regulations set forth in 24 CFR, Part 135, and all applicable rules and orders of the Secretary issued thereunder prior to approval by the Government of the application for this Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the Owner, his successors and assigns. Failure to fulfill these requirements shall subject the Owner, his contractors and subcontractors, his successors, and assigns to the sanction specified by this Contract, and to such sanctions as are specified by 24 CFR, Section 135.135.
- d. The Owner shall incorporate or cause to be incorporated into any contract or subcontract for work pursuant to this Contract in excess of \$50,000 cost, the following clause:

"EMPLOYMENT OF PROJECT AREA RESIDENTS AND CONTRACTORS

- "A. The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given lower-income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.
- "B. The parties to this Contract will comply with the provisions of said section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR, Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- "C. The contractor will send in each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- "D. The contractor will include this section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR, Part 135. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR, Part 135, and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

<sup>2</sup>Strike this Section if the Contract Rents on the effective date of this Contract, over the maximum term of this Contract, are \$500,000 or less.

"1. Compliance with the provisions of section 3, the regulations set forth in 24 CFR, Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR, Section 135.135."

e. The Owner agrees that he will be bound by the above Employment of Project Area Residents and Contractors clause with respect to his own employment practices when he participates in federally assisted work.

2.3 COOPERATION IN EQUAL OPPORTUNITY COMPLIANCE REVIEWS. The HFA and the Owner shall cooperate with the Government in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and rules and regulations pursuant thereto.

2.4 FLOOD INSURANCE. If the project is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards and if the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, the Owner agrees that the project will be covered, during its anticipated economic or useful life, by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less.

2.5 CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT.<sup>3</sup> In compliance with regulations issued by the Environmental Protection Agency ("EPA"), 40 CFR, Part 15, 39 F.R. 11099, pursuant to the Clean Air Act, as amended ("Air Act"), 42 U.S.C. 1857, et seq., the Federal Water Pollution Control Act, as amended ("Water Act"), 33 U.S.C. 1251, et seq., and Executive Order 11738, the Owner agrees that:

- a. Any facility to be utilized in the performance of this Contract or any subcontract shall not be a facility listed on the EPA list of Violating Facilities pursuant to section 15.20 of said regulations;
- b. He will promptly notify the HFA of the receipt of any communication from the EPA indicating that a facility to be utilized for the Contract is under consideration to be listed on the EPA List of Violating Facilities;
- c. He will comply with all the requirements of section 114 of the Air Act and section 308 of the Water Act relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in section 114 and section 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder; and
- d. He will include or cause to be included the provisions of this Section in every nonexempt subcontract, and that he will take such action as the Government may direct as a means of enforcing such provisions.

2.6 HFA AND GOVERNMENT ACCESS TO PREMISES AND OWNER'S RECORDS.

- a. The Owner shall furnish such information and reports pertinent to the Contract as reasonably may be required from time to time by the HFA or the Government.
- b. The Owner shall permit the HFA or the Government or any of their duly authorized representatives to have access to the premises and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the Owner that are pertinent to compliance with this Contract, including the verification of information pertinent to the housing assistance payments.

2.7 FAILURE OR INABILITY OF HFA TO COMPLY WITH CONTRACT. The following provisions of the ACC are hereby made a part of this Contract:

"(a) Rights of Owner if HFA Defaults under Contract.

"(1) In the event of failure of the HFA to comply with the Contract with the Owner, or if such Contract is held to be void, voidable or ultra vires, or if the power or right of the HFA to enter into such Contract is drawn into question in any legal proceeding, or if the HFA asserts or claims that such Contract is not binding upon the HFA for any such reason, the Government may, after notice to the HFA giving it a reasonable opportunity to take corrective action, determine that the occurrence of any such event constitutes a Substantial Default hereunder. Where the Government so determines, it shall have the right to assume the HFA's rights and obligations under such Contract, perform the obligations and enforce the rights of the HFA, and exercise such other powers as the Government may have to cure the Default; however, whether or not the Government elects to proceed in this manner, the Government shall, if it determines that the Owner is not in default, continue for the duration of such Contract to pay Annual Contributions for the purpose of making housing assistance payments with respect to dwelling units under such Contract.

"(2) All rights and obligations of the HFA assumed by the Government pursuant to this Section 2.16(a) will be returned as constituted at the time of such return (i) when the Government is satisfied that all defaults have been cured and that the Project will thereafter be administered in accordance with all applicable requirements, or (ii) when the Housing Assistance Payments Contract is at an end, whichever occurs sooner.

"(3) The provisions of this Section 2.16(a) are made with, and for the benefit of, the Owner, the HFA (but only in its capacity as lender), or the Owner's other assignees, if any, who will have been specifically approved by the Government prior to such assignment. If such parties are not in default, they may, in order to enforce the performance of these provisions, (i) demand that the Government, after notice to the HFA giving it a reasonable opportunity to take corrective action, make a determination whether a Substantial Default exists under paragraph (a)(i) of this Section, (ii) if the Government determines that a Substantial Default exists, demand that the Government take action as authorized in paragraph (a)(1), and (iii) proceed against the Government by suit at law or in equity."

2.8 RIGHTS OF HFA AND GOVERNMENT IF OWNER DEFAULTS UNDER CONTRACT.

a. A default by the Owner under this Contract shall result if:

- (1) The Owner has violated or failed to comply with any provision of, or obligation under, this Contract or of any Lease; or
- (2) The Owner has asserted or demonstrated an intention not to perform some or all of his obligations under this Contract or under any Lease.

b. Upon a determination by the HFA that a default has occurred, the HFA shall notify the Owner, with a copy to the Government, of (1) the nature of the default, (2) the actions required to be taken and the remedies to be applied on account of the default (including actions by the Owner to cure the default, and, where appropriate, abatement of housing assistance payments in whole or in part and recovery of over-payments), and (3) the time within which the Owner shall respond with a showing that he has taken all the actions required of him. If the Owner fails to respond or take action to the satisfaction of the HFA and the Government, the HFA shall have the right to terminate this Contract in whole or in part or to take other corrective action to achieve compliance, in its discretion or as directed by the Government.

<sup>3</sup>Strike this Section if the Contract Rents on the effective date of this Contract, over the maximum total term of this Contract, are \$100,000 or less.

- c. Notwithstanding any other provisions of this Contract, in the event the Government determines that the Owner is in default of his obligations under the Contract, the Government shall have the right, after notice to the Owner and the HFA giving them a reasonable opportunity to take corrective action, to abate or terminate housing assistance payments and recover overpayments in accordance with the terms of the Contract. In the event the Government takes any action under this Section, the Owner and the HFA hereby expressly agree to recognize the rights of the Government to the same extent as if the action were taken by the HFA. The Government shall not have the right to terminate the Contract except by proceeding in accordance with Section 2.16(b) of the ACC and paragraph b of this Section.

2.9 **REMEDIES NOT EXCLUSIVE AND NON-WAIVER OF REMEDIES.** The availability of any remedy under this Contract or the ACC shall not preclude the exercise of any other remedy under this Contract or the ACC or under any provision of law, nor shall any action taken in the exercise of any remedy be deemed a waiver of any other rights or remedies. Failure to exercise any right or remedy shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

2.10 **DISPUTES.**

- a. Except as otherwise provided herein, any dispute concerning a question of fact arising under this Contract which is not disposed of by agreement of the HFA and the Owner may be submitted by either party to the Department of Housing and Urban Development field office director who shall make a decision and shall mail or otherwise furnish a written copy thereof to the Owner and the HFA.
- b. The decision of the field office director shall be final and conclusive unless, within 30 days from the date of receipt of such copy, either party mails or otherwise furnishes to the Government a written appeal addressed to the Secretary of Housing and Urban Development. The decision of the Secretary or duly authorized representative for the determination of such appeals shall be final and conclusive, unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this Section, the appellant shall be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending final decision of a dispute hereunder, both parties shall proceed diligently with the performance of the Contract and in accordance with the decision of the field office director.
- c. This Section does not preclude consideration of questions of law in connection with the decisions rendered under paragraphs a and b of this Section; Provided, however, that nothing herein shall be construed as making final the decision of any administrative official, representative, or board, on a question of law.

2.11 **INTEREST OF MEMBERS, OFFICERS, OR EMPLOYEES OF HFA, MEMBERS OF LOCAL GOVERNING BODY OR OTHER PUBLIC OFFICIALS.** No member, officer, or employee of the HFA, no member of the governing body of the State or locality (city and county) in which the project is situated, and no other public official of such State or locality who exercises any functions or responsibilities with respect to the project, during his tenure or for one year thereafter, shall have any interest, direct or indirect, in this Contract or in any proceeds or any benefits arising therefrom. In the case of a project owned by a public housing agency, the foregoing prohibition shall also apply to members of the governing body of the locality (city and county) in which such public housing agency was activated.

2.12 **INTEREST OF MEMBER OF OR DELEGATE TO CONGRESS.** No member of or delegate to the Congress of the United States of America or resident commissioner shall be admitted to any share or part of this Contract or to any benefits which may arise therefrom.

2.13 **ASSIGNMENT, SALE, OR FORECLOSURE.**

- a. The Owner agrees that he has not made and will not make any sale, assignment, or conveyance or transfer in any other form, of this Contract or the project or any part thereof or any of his interest therein, without the prior consent of the HFA and the Government; Provided, however, that in the case of an assignment as security for the purpose of obtaining financing of the project, the HFA and the Government shall consent in writing if the terms of the financing have been approved by the Government.
- b. The Owner agrees to notify the HFA and the Government promptly of any proposed action covered by paragraph a of this Section. The Owner further agrees to request the written consent of the HFA and the Government in regard thereto.
- c. (1) A transfer by the Owner, in whole or in part, or a transfer by a party having a substantial interest in said Owner, or transfers by more than one party of interests aggregating a substantial interest in said Owner, or any other similarly significant change in the ownership of interests in the Owner, or in the relative distribution thereof, or with respect to the parties in control of the Owner or the degree thereof, by any other method or means (e.g., increased capitalization, merger with another corporation or other entity, corporate or other amendments, issuance of new or additional ownership interests or classification of ownership interests or otherwise) shall be deemed an assignment, conveyance, or transfer for purposes of this Section 2.13. An assignment by the Owner to a limited partnership, in which no limited partner has a 25 percent or more interest and of which the Owner is the sole general partner, shall not be considered an assignment, conveyance, or transfer.
- (2) The term "substantial interest" means the interest of any general partner, any limited partner having a 25 percent or more interest in the organization, any corporate officer or director, and any stockholder having a 10 percent or more interest in the organization.
- (3) The Owner, and the party signing this Contract on behalf of said Owner, represent that they have the authority of all of the parties having ownership interests in the Owner to agree to this provision on their behalf and to bind them with respect thereto.
- d. In the event of foreclosure, or assignment or sale to the HFA (or mortgagee if the HFA is not the mortgagee) in lieu of foreclosure, or in the event of assignment or sale agreed to by the HFA (or mortgagee if the HFA is not the mortgagee) and approved by the Government (which approval shall not be unreasonably delayed or withheld), housing assistance payments shall continue in accordance with the terms of the Contract.

EXHIBITS A, B, C

EXECUTION OF CONTRACT WITH RESPECT  
TO CONTRACT UNITS COMPLETED AND ACCEPTED IN STAGES

OWNER: HOPEWELL HEIGHTS ASSOCIATES,  
A Virginia Limited Partnership  
HFA: VIRGINIA HOUSING DEVELOPMENT AUTHORITY  
MASTER SECTION 8 NUMBER: P-5512  
ACC LIST NUMBER & DATE: P-78-108; 4-28-78  
PROJECT NUMBER: VA36-H027-085  
STAGE: II

This Contract is hereby executed with respect to the units described in Exhibit A-II.

EFFECTIVE DATE - The effective date of this Contract with respect to the units described in Exhibit A-II is October 1, 1979.

INITIAL TERM OF CONTRACT - The initial term of this Contract with respect to the units described in Exhibit A-II shall be 5 years (not to exceed five years) beginning with the effective date of this Contract and ending September 31, 1984.

Date October 1, 1979

HFA Virginia Housing Development  
Authority

By *James P. Kelly*  
Director of Housing Management  
(Official Title)

APPROVED:

Date October 1, 1979

United States of America  
Secretary of Housing and  
Urban Development

By *[Signature]*  
Deputy Director for Development  
(Official Title)

Date 5/14, 1980

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM  
HOUSING FINANCE AND DEVELOPMENT AGENCIES

PART I OF THE

HOUSING ASSISTANCE PAYMENTS CONTRACT

NEW CONSTRUCTION OR SUBSTANTIAL REHABILITATION

MASTER SECTION 8 ACC NUMBER: P-5512	ACC LIST NUMBER AND DATE: P-78-108 4/28/78	NEW CONSTRUCTION PROJECT NUMBER: VA 36-H027-085 SUBSTANTIAL REHABILITATION PROJECT NUMBER:
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This Housing Assistance Payments Contract ("Contract") is entered into by and between the Virginia Housing Development Authority, a housing finance agency ("HFA"), which is a public housing agency as defined in the United States Housing Act of 1937, 42 U.S.C. 1437, et seq. ("Act"), at section 1437a(6), and Hopewell Heights Associates, a Va. limited partnership, and approved by the United States of America acting through the Department of Housing and Urban Development ("Government"), pursuant to the Act and the Department of Housing and Urban Development Act, 42 U.S.C. 3531, et seq.

The parties hereto agree as follows:

1.1 SIGNIFICANT DATES AND OTHER ITEMS: CONTENTS OF CONTRACT.

- a. **Effective Date of Contract.** The effective date of this Contract is See Execution Pages, 19  . [This date shall be no earlier than the date of submission by the HFA to the Government of the certifications required by 24 CFR, Section 883.316(a).]
- b. **Initial Term of Contract.** The initial term of this Contract (see Section 1.4a) shall be 5 years [not to exceed five years], beginning with the effective date of this Contract and ending See Execution Pages, 19  .
- c. **Number and Length of Optional Additional Terms.** The number and length of optional additional terms (see Section 1.4a) shall be 7 terms of 5 years each [not to exceed five years each].
- d. **Maximum Total Term of Contract.** The maximum total term of this Contract for any unit, including all renewals, shall be as specified in Section 1.4a.
- e. **Fiscal Year.** The ending date of each Fiscal Year (see Section 1.4b) shall be June 30 [insert March 31, June 30, September 30, or December 31, as determined by the Government].
- f. **Annual Contributions Contract.** The Annual Contributions Contract applicable to this Contract ("ACC") (see Section 1.5a) is the ACC dated May 2, 1978, with respect to Project No. VA 36-H027-085.
- g. **Maximum Housing Assistance Commitment.** The maximum amount of the commitment for housing assistance payments under this Contract (see Section 1.6a) is \$598,800.00 per annum. [Enter amount specified in the ACC for housing assistance payments, exclusive of the Financing Cost Contingency.] This amount shall be subject to increase pursuant to Section 1.5e(2) or 1.5e(3) of the Agreement or Section 1.9e(3) of this Contract, as appropriate.
- h. **Percent of Units to be Leases to Very Low-Income Families.** In the initial renting of the Contract Units, the minimum percentage of those units required to be leased to Very Low-Income Families (see Section 1.10c(1)) shall be 30 percent.
- i. **Contents of Contract.** This Contract consists of Part I, Part II, and the following exhibits:  
Ex A: The schedule showing the number of units by size ("Contract Units") and their applicable rents ("Contract Rents");  
Exhibit B: The project description;  
Exhibit C: The statement of services, maintenance and utilities to be provided by Owner;  
Exhibit D: The Affirmative Fair Housing Marketing Plan, if applicable; and

Additional exhibits: [Specify additional exhibits, if any. If none, insert "None."] Exhibit A-1 et seq. to be attached as stages are completed.

This Contract, including said exhibits, comprises the entire agreement between the parties hereto with respect to the matters contained herein, and neither party is bound by any representations or agreements of any kind except as contained herein or except agreements entered into in writing which are not inconsistent with this Contract.

1.2 OWNER'S WARRANTIES.

- a. **Legal Capacity.** The Owner warrants that he has the legal right to execute this Contract and to lease dwelling units covered by this Contract.
- b. **Completion of Work.** The Owner warrants that the project as described in Exhibit B is in good and tenantable condition and that the project has been completed in accordance with the terms and conditions of the Agreement to Enter into Housing Assistance Payments Contract ("Agreement") or will be completed in accordance with the terms on which the project was accepted. The Owner further warrants that he will remedy any defects or omissions covered by this warranty if called to his attention within 12 months of the effective date of this Contract. The Owner and the HFA agree that the continuation of this Contract shall be subject to the conditions set forth in Section 1.4b of the Agreement.

FAMILIES TO BE HOUSED: HFA ASSISTANCE.

- a. **Families to Be Housed.** The Contract Units are to be leased by the Owner to eligible Lower-Income Families ("Families") for use and occupancy by such Families solely as private dwellings.

HFA Assistance.

- (1) The HFA hereby agrees to make housing assistance payments on behalf of Families for the Contract Units, to enable such Families to lease Decent, Safe, and Sanitary housing pursuant to section 8 of the Act. Such housing assistance payments shall equal the difference between the Contract Rents for units leased by Families and the portion of such rents payable by Families as determined by the Owner in accordance with schedules and criteria established by the Government.

(2) If there is an Allowance for Utilities and Other Services and if such Allowance exceeds the Gross Family Contribution, the Owner shall pay the Family the amount of such excess on behalf of the HFA upon receipt of funds from the HFA for that purpose.

#### 1.4 TERM OF CONTRACT; FISCAL YEAR.

- a. Term of Contract.  
[Alternative provisions—incorporate alternative 1, 2, or 3, as applicable.]

##### ALTERNATIVE 1—GENERAL:

The initial term of this Contract shall be as stated in Section 1.1b. This Contract may be renewed for the number and length of additional terms stated in Section 1.1c, provided that the total Contract term for any unit, including all renewals, shall not exceed the shorter of (1) 40 years or (2) a period terminating on the date of the last payment of principal due on the permanent financing [insert in (1) a number of years equal to the maximum anticipated number of years during which assistance payments will be made, not to exceed 40 years]. Renewals shall be automatic unless either party notifies the other in writing, no later than 60 days prior to the expiration of the current term, of his desire not to renew, and the other party agrees in writing that there shall be no renewal. If the project is completed in stages, the dates for the initial term and renewal terms shall be separately related to the units in each stage; Provided, however, that the total Contract term for all the stages, beginning with the effective date of the Contract with respect to the first stage, shall not exceed the total Contract term for any unit specified in this paragraph, plus two years. In any case where the project is owned by, or financed by a loan or loan guarantee from, a State or local agency, the housing assistance payments pursuant to this Contract with respect to any dwelling unit shall be payable over a period not to exceed 40 years.

##### ALTERNATIVE 2—FOR MOBILE HOMES PROJECT:

In the case of mobile homes, the initial term of this Contract for each mobile home shall be as stated in Section 1.1b. This Contract may be renewed with respect to any mobile home for the number and length of additional terms as stated in Section 1.1c, provided that the total Contract term for any mobile home, including all renewals, shall not exceed \_\_\_\_\_ years. [Insert number as authorized by the Government pursuant to 24 CFR Section 883.206.] Renewals shall become effective only if either party gives written notice, with a copy to the Government, no later than 60 days prior to the expiration of the current term, of his desire to renew, and the other party and the Government give their written concurrence and approval, respectively, before the expiration of the current term. If the project is completed in stages, the dates for the initial term and renewal terms shall be separately related to the mobile home in each stage; Provided, however, that the total Contract term for all the stages, beginning with the effective date of the Contract with respect to the first stage, shall not exceed the total Contract term stated in Section 1.1c, plus two years. For purposes of this paragraph a, the term "mobile home" means the original mobile home and any replacement(s), combined.

##### ALTERNATIVE 3—FOR CERTAIN SUBSTANTIAL REHABILITATION PROJECTS:

For a Substantial Rehabilitation project, where the relative cost of the rehabilitation is less than 15 percent of the value of the project after completion of the rehabilitation, the Contract shall be for one term of not more than five years for any dwelling unit. If the project is completed in stages, this term shall be separately related to the units in each stage; Provided, however, that the total Contract term for all the stages, beginning with the effective date of the Contract with respect to the first stage, shall not exceed said Contract term, plus two years.

- b. Fiscal Year. The Fiscal Year for the project shall be the 12-month period ending on the date stated in Section 1.1e; Provided, however, that the first Fiscal Year for the project shall be the period beginning with the effective date of the Contract and ending on the last day of said established Fiscal Year which is not less than 12 months after such effective date. If the first Fiscal Year exceeds 12 months, the maximum total annual housing assistance payment in Section 1.6a may be adjusted by the addition of the pro rata amount applicable to the period of operation in excess of 12 months.

#### 1.5 ANNUAL CONTRIBUTIONS CONTRACT.

- a. Identification of Annual Contributions Contract. The HFA has entered into an Annual Contributions Contract with the Government, as identified in Section 1.1f, under which the Government will provide financial assistance to the HFA pursuant to section 8 of the Act for the purpose of making housing assistance payments. A copy of the ACC shall be provided upon request.
- b. HFA Pledge of ACC Payments. The HFA hereby pledges to the payment of housing assistance payments pursuant to this Contract or annual contributions payable under the ACC for such housing assistance payments. The HFA shall not, without the consent of the Owner, amend or modify the ACC in any manner which would reduce the amount of such annual contributions, except as authorized in the ACC and this Contract.
- c. Government Approval of Housing Assistance Payments Contract. The approval of this Contract by the Government signifies that the Government has executed the ACC and that the ACC has been properly authorized; that the faith of the United States is solemnly pledged to the payment of annual contributions pursuant to said ACC; and that funds have been obligated by the Government for such payments to assist the HFA in the performance of its obligations under the Contract.

#### 1.6 MAXIMUM HOUSING ASSISTANCE COMMITMENT; PROJECT ACCOUNT.

- a. Maximum Housing Assistance Commitment. Notwithstanding any other provisions of this Contract (other than paragraph b of this Section) or any provisions of any other contract between the HFA and the Owner, the HFA shall not be obligated to make and shall not make any housing assistance payments under this Contract in excess of the amount per annum stated in Section 1.1g; Provided, however, that this amount shall be reduced commensurately with any reduction in the number of Contract Units or in the Contract Rents or pursuant to any other provision of the ACC or this Contract (except reductions in Contract Rents pursuant to Section 1.9c(1)).
- b. Project Account. As provided in the ACC, in order to assure that housing assistance payments will be increased on a timely basis to cover increases in Contract Rents or decreases in Family Incomes:
- (1) A Project Account shall be established and maintained, in an amount as determined by the Government consistent with its responsibilities under section 8(c)(6) of the Act, out of amounts by which the Maximum ACC Commitment per year (exclusive of any Financing Cost Contingency) exceeds amounts paid under the ACC for any Fiscal Year. This account shall be established and maintained by the Government as a specifically identified and segregated account. To the extent funds are available in said account, the maximum total annual housing assistance payments for any Fiscal Year may exceed the maximum amount stated in paragraph a of this Section to cover increases in Contract Rents or decreases in Family Incomes (see Section 1.9). Any amount remaining in said account after payment of the last housing assistance payment with respect to the project shall be applied by the Government in accordance with law.
- (2) Whenever the Government approved estimate of the required Annual Contribution exceeds the Maximum ACC Commitment, then in effect (exclusive of any Financing Cost Contingency), and would cause the amount in the Project Account to be less than an amount equal to 40 percent of such Maximum ACC Commitment, the Government shall, within a reasonable period of time, take such additional steps authorized by section 8(c)(6) of the Act as may be necessary to carry out this assurance, including (as provided in that section of the Act) "the reservation of annual contributions authority for the purpose of amending housing assistance contracts or the allocation of a portion of new authorizations for the purpose of amending housing assistance contracts."

## 1.7 HOUSING ASSISTANCE PAYMENTS TO OWNERS.

### a. General.

- (1) Housing assistance payments shall be paid to the Owner for units under lease by Families in accordance with the Contract. The housing assistance payment will cover the difference between the Contract Rent and that portion of said rent payable by the Family as determined in accordance with the Government-established schedules and criteria.
- (2) The amount of housing assistance payment payable on behalf of a Family and the amount of rent payable by such Family shall be subject to change by reason of changes in Family Income, Family composition, or extent of exceptional medical or other unusual expenses in accordance with the Government-established schedules and criteria; or by reason of adjustment by the HFA of any applicable Allowance for Utilities and Other Services. Any such change shall be effective as of the date stated in a notification of such change to the Family.

- b. Vacancies During Rent-up. If a Contract Unit is not leased as of the effective date of the Contract, the Owner shall be entitled to housing assistance payments in the amount of 80 percent of the Contract Rent for the unit for a vacancy period not exceeding 60 days from the effective date of the Contract, provided that the Owner (1) commenced marketing and otherwise complied with Section 1.3b of the Agreement, (2) has taken and continues to take all feasible actions to fill the vacancy, including, but not limited to, contacting applicants on his waiting list, if any, requesting the HFA and other appropriate sources to refer eligible applicants, and advertising the availability of the unit, and (3) has not rejected any eligible applicant, except for good cause acceptable to the HFA.

### c. Vacancies After Rent-up.

- (1) If a Family vacates its unit (other than as a result of action by the Owner which is in violation of the Lease or the Contract or any applicable law), the Owner shall receive housing assistance payments in the amount of 80 percent of the Contract Rent for a vacancy period not exceeding 60 days; Provided, however, that if the Owner collects any of the Family's share of the rent for this period in an amount which, when added to the 80 percent payments, results in more than the Contract Rent, such excess shall be payable to the Government or as the Government may direct. (See also Section 1.10b.) The Owner shall not be entitled to any payment under this subparagraph unless he: (i) immediately upon learning of the vacancy, has notified the HFA of the vacancy or prospective vacancy and the reasons for the vacancy, and (ii) has taken and continues to take the actions specified in paragraphs b(2) and b(3) of this Section.
- (2) If the Owner evicts a Family, he shall not be entitled to any payment under paragraph c(1) of this Section unless the request for such payment is supported by a certification that (i) he gave such Family a written notice of the proposed eviction, stating the grounds and advising the Family that it had 10 days within which to present its objections to the Owner in writing or in person and (ii) the proposed eviction was not in violation of the Lease or the Contract or any applicable law.

- d. Limitation on Payments for Vacant Units. The Owner shall not be entitled to housing assistance payments with respect to vacant units under this Section to the extent he is entitled to payments from other sources (e.g., payments for losses of rental income incurred for holding units vacant for relocatees pursuant to Title I of the Housing and Community Development Act of 1974 or payments under Section 1.10b of this Contract).

- e. HFA Not Obligated for Family Rent. The HFA has not assumed any obligation for the amount of rent payable by any Family or the satisfaction of any claim by the Owner against any Family other than in accordance with Section 1.10b of this Contract.

### f. Owner's Monthly Requests for Payments.

- (1) The Owner shall submit monthly requests to the HFA or as directed by the HFA for housing assistance payments. Each such request shall set forth: (i) the name of each Family and the address and/or number of the unit leased by the Family; (ii) the address and/or the number of units, if any, not leased to Families for which the Owner is claiming payments; (iii) the Contract Rent as set forth in Exhibit A for each unit for which the Owner is claiming payments; (iv) the amount of rent payable by the Family leasing the unit (or, where appropriate, the amount to be paid the Family in accordance with Section 1.3b(2)); and (v) the total amount of housing assistance payments requested by the Owner.
- (2) Each of the Owner's monthly requests shall contain a certification by him that to the best of his knowledge and belief (i) the dwelling unit is in Decent, Safe, and Sanitary condition, (ii) all the other facts and data on which the request for funds is based are true and correct, (iii) the amount requested has been calculated in accordance with the provisions of this Contract and is payable under the Contract, and (iv) none of the amount claimed has been previously claimed or paid.
- (3) If the Owner has received an excessive payment, the HFA or the Government, in addition to any other rights to recovery, may deduct the amount from any subsequent payment or payments.
- (4) The Owner's monthly requests for housing assistance payments shall be made subject to penalty under 18 U.S.C. 1001, which provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

### g. Recoupment of Savings in Financing Cost.

- (1) In the event that interim financing is used and is continued after the first year of the term of the Contract and the debt service of the interim financing for any period of three months, after such first year, is less than the anticipated debt service under the permanent financing on which the Contract Rents were based, an amount reflecting the savings in financing cost, computed in accordance with paragraph g(2) of this Section, shall be credited by the Government to the Project Account, and withheld from housing assistance payments to the Owner. If during the course of the same year there is any period of three months in which the debt service is greater than the anticipated debt service under the permanent financing, an adjustment shall be made so that only the net amount of savings in financing cost for the year is credited by the Government to the Project Account and withheld by the HFA from the Owner as aforesaid (no increased payments shall be made to the Owner on account of any net excess for the year of actual interim debt service over the anticipated debt service under the permanent financing). Nothing in this paragraph g shall be construed as requiring a reduction in the Contract Rents or precluding adjustments of Contract Rents in accordance with Section 1.9.
- (2) The computation and recoupment under this paragraph g may be made on an annual or on a quarterly or other periodic basis, but in any event no later than as of the end of each Fiscal Year; Provided, however, that if recoupment is to be made less often than quarterly, the amounts of recoupment shall be computed on at least a quarterly basis and funds shall be deposited in a special account from which withdrawals may be made only with the authorization of the HFA. The manner of computing the amount of recoupment shall be as follows:
  - (i) Determine the amount by which the debt service for the interim financing for the period in question is less than the anticipated debt service under the permanent financing on which the Contract Rents were based;
  - (ii) Determine what percentage the amount found under paragraph g(2)(i) of this Section is of the aggregate Contract Rents for all Contract Units for the period in question;

- (iii) Apply the percentage found in paragraph g(2)(ii) of this Section to the aggregate Contract Rents for those Contract Units which are included in the Owner's claim(s) for housing assistance payments for the period in question; and
  - (iv) The amount found in paragraph g(2)(iii) of this Section shall be credited to the Project Account and withheld from the next housing assistance payment or payments to the Owner.
- h' **Payments by HFA.** The amount of the housing assistance payment, determined in accordance with the provisions of this Contract, up to the amount of the mortgage repayments due the HFA from the Owner pursuant to the mortgage loan made by the HFA for the project, shall be credited to the Owner and transferred monthly by the HFA from the account maintained under the General Depository Agreement pursuant to the ACC to the trustee under the note or bond resolution of the HFA under which the notes or bonds to provide the mortgage loan were issued. Any amount of the housing assistance payment in excess of such credit shall be paid by the HFA directly to the Owner.

**1. Debt Service Payments.**

- (1) If a unit continues to be vacant after the 60-day period specified in paragraph (b) or (c) of this section, the Owner may submit a claim to receive additional housing assistance payments on a semiannual basis with respect to such a vacant unit in an amount equal to the principal and interest payments required to amortize the portion of the debt attributable to that unit for the period of the vacancy, whether such vacancy commenced during rent-up or after rent-up.
- (2) Additional payments under this paragraph (1) for any unit shall not be for more than 12 months for any vacancy period, and shall be made only if:
  - (i) The unit is not in a project insured under the National Housing Act except pursuant to Section 244 of that Act.
  - (ii) The unit was in decent, safe, and sanitary condition during the vacancy period for which payments are claimed.
  - (iii) The Owner has taken and is continuing to take the actions specified in paragraphs (b)(1), (2) and (3) or paragraphs (c)(1)(i) and (ii) and (c)(2) of this section, as appropriate.
  - (iv) The Owner has demonstrated in connection with the semiannual claim on a form and in accordance with the standards prescribed by the Government with respect to the period of vacancy, that the project is not providing the Owner with revenues at least equal to the project costs incurred by the Owner, and that the amount of the payments requested is not in excess of that portion of the deficiency which is attributable to the vacant units for the period of the vacancies.
  - (v) The Owner has submitted, in connection with the semiannual claim, a statement with relevant supporting evidence that there is a reasonable prospect that the project can achieve financial soundness within a reasonable time. The statement shall indicate the causes of the deficiency; the corrective steps that have been and will be taken; and the time by which it is expected that the project revenues will at least equal project costs without the additional payments provided under this paragraph.
- (3) The Government may deny any application for additional payments or suspend or terminate payments if it determines based on the Owner's statement and other evidence, that there is not a reasonable prospect that the project can achieve financial soundness within a reasonable time.

**1.8 MAINTENANCE, OPERATION AND INSPECTION.**

- a. **Maintenance and Operation.** The Owner agrees (1) to maintain and operate the Contract Units and related facilities so as to provide Decent, Safe, and Sanitary housing, and (2) to provide all the services, maintenance and utilities set forth in Exhibit C. If the HFA determines that the Owner is not meeting one or more of these obligations, the HFA shall have the right, in addition to its other rights and remedies under this Contract, to abate housing assistance payments in whole or in part.
- b. **Inspections Prior to Occupancy.**
  - (1) Prior to occupancy of any unit by a Family, the Owner and the Family shall inspect the unit and both shall certify, on forms prescribed by the Government, that they have inspected the unit and have determined it to be Decent, Safe, and Sanitary in accordance with the criteria provided in the prescribed forms. Copies of these reports shall be kept on file by the Owner for at least three years.
  - (2) The HFA shall inspect or cause to be inspected each Contract Unit and related facilities at least annually and at such other times (including prior to initial occupancy and re-renting of any unit) as may be necessary to assure that the Owner is meeting his obligation to maintain the units in Decent, Safe, and Sanitary condition and to provide the agreed upon utilities and other services. The HFA shall take into account complaints by occupants and any other information coming to its attention in scheduling inspections and shall notify the Owner and the Family of its determination.
- c. **Units Not Decent, Safe, and Sanitary.** If the HFA notifies the Owner that he has failed to maintain a dwelling unit in Decent, Safe, and Sanitary condition and the Owner fails to take corrective action within the time prescribed in the notice, the HFA may exercise any of its rights or remedies under the Contract, including abatement of housing assistance payments, even if the Family continues to occupy the unit. If, however, the Family wishes to be rehoused in another dwelling unit with section 8 assistance and the HFA does not have other section 8 funds for such purposes, the HFA may use the abated housing assistance payments for the purpose of rehousing the Family in another dwelling unit. Where this is done, the Owner shall be notified that he will be entitled to resumption of housing assistance payments for the vacated dwelling unit if (1) the unit is restored to Decent, Safe, and Sanitary condition, (2) the Family is willing to and does move back into the restored unit, and (3) a deduction is made for the expenses incurred by the Family for both moves.
- d. **Notification of Abatement.** Any abatement of housing assistance payments shall be effective as provided in written notification to the Owner. The HFA shall promptly notify the Family of any such abatement.
- e. **Overcrowded and Underoccupied Units.** If the HFA determines that a Contract Unit is not Decent, Safe, and Sanitary by reason of increase in Family size, or that a Contract Unit is larger than appropriate for the size of the Family in occupancy, housing assistance payments with respect to such unit will not be abated, unless the Owner fails to offer the Family a suitable unit as soon as one becomes vacant and ready for occupancy. In the case of an overcrowded unit, if the Owner does not have any suitable units or if no vacancy of a suitable unit occurs within a reasonable time, the HFA will assist the Family in finding a suitable dwelling unit and require the Family to move to such a unit as soon as possible. The Owner may receive housing assistance payments for the vacated unit if he complies with the requirements of Section 1.7(1).

**1.9 RENT ADJUSTMENTS.**

- a. **Funding of Adjustments.** Housing assistance payments will be made in increased amounts commensurate with Contract Rent adjustments under this Section up to the maximum amount authorized under Section 1.6 of this Contract.
- b. **Automatic Annual Adjustments.**
  - (1) Automatic Annual Adjustment Factors will be determined by the Government at least annually; interim revisions may be made as market conditions warrant. Such Factors and the basis for their determination will be published in the Federal Register. These published Factors will be reduced appropriately by the Government where utilities are paid directly by the Families.
  - (2) On each anniversary date of the Contract, the Contract Rents shall be adjusted by applying the applicable Automatic Annual Adjustment Factor most recently published by the Government. Contract Rents may be adjusted upward or downward, as may be appropriate; however, in no case shall the adjusted Contract Rents be less than the Contract Rents on the effective date of the Contract.

<sup>1</sup>Use of this Section 1.7h is optional.

- c. **Special Additional Adjustments.** Special additional adjustments shall be granted, when approved by the Government, to reflect increases in the actual and necessary expenses of owning and maintaining the Contract Units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs (i.e., assessments, and utilities not covered by regulated rates), but only if and to the extent that the Owner or the HFA clearly demonstrates that such general increases have caused increases in the Owner's operating costs which are not adequately compensated for by automatic annual adjustments. The Owner or the HFA shall submit to the Government financial statements which clearly support the increase.
- d. **Overall Limitation.** Notwithstanding any other provisions of this Contract, adjustments as provided in this Section shall not result in material differences between the rents charged for assisted and comparable unassisted units, as determined by the HFA (and approved by the Government, in the case of adjustments under paragraph c of this Section); provided, that this limitation shall not be construed to prohibit differences in rents between assisted and comparable unassisted units to the extent that such differences may have existed with respect to the initial Contract Rents.
- e. **Adjustment to Reflect Actual Cost of Permanent Financing.** This paragraph e shall apply if the project is not permanently financed until after the effective date of the Contract. After the project is permanently financed, the HFA shall submit a certification to the Government as to the actual financing terms and the following provisions shall apply:
- (1) If the actual debt service under the permanent financing is lower than the anticipated debt service on which the Contract Rents were based, the Contract Rents currently in effect shall be reduced commensurately, and the amount of the savings shall be credited to the Project Account. The Maximum ACC Commitment shall not be reduced except by the amount of the contingency, if any, which was included for possible increases under paragraph e(2) of this Section.
  - (2) If the actual debt service under the permanent financing is higher than the anticipated debt service on which the Contract Rents were based, and the HFA is using its set-aside for the project, the Contract Rents currently in effect shall be increased commensurately, not to exceed the limitations in this paragraph e(2) and the amount of the Financing Cost Contingency in the ACC. If the projected borrowing rate (net interest cost) was not less than the average net interest cost for the preceding quarter (at the time the projection was submitted to the Government) of the "20 Bond Index" published weekly in the Bond Buyer, plus 50 basis points. An adjustment under this paragraph e(2) shall not be more than is necessary to reflect an increase in debt service (based upon the original projected capital cost and the actual term of the permanent financing for the project) resulting from an increase in interest rate of not more than:
    - (i) One and one-half percent if the projected spread as submitted to the Government was three-fourths of one percent or less, or
    - (ii) One percent if such projected spread was more than three-fourths of one percent but not more than one percent, or
    - (iii) One-half of one percent if such projected spread was more than one percent.
  - (3) After Contract Rents have been adjusted in accordance with paragraph e(1) or e(2) of this Section, the maximum amount of the ACC commitment shall be reduced, by the amount of any unused portion of the Financing Cost Contingency, and such portion shall be re-allocated to the then current set-aside of the HFA, if any. At the same time, if the Contract Rents have been increased in accordance with paragraph e(2) of this Section, the maximum Contract amount specified in Section 1.1 g shall be increased commensurately.
- f. **Incorporation of Rent Adjustment.** Any adjustment in Contract Rents shall be incorporated into Exhibit A by a dated addendum to the exhibit establishing the effective date of the adjustment.

#### 1.10 MARKETING AND LEASING OF UNITS.

- a. **Compliance with Equal Opportunity.** Marketing of units and selection of Families by the Owner shall be in accordance with the Owner's Government-approved Affirmative Fair Housing Marketing Plan, shown as Exhibit D, and with all regulations relating to fair housing advertising.
- b. **Security and Utility Deposits.**
- (1) The Owner may require Families to pay a security deposit in an amount equal to one month's Gross Family Contribution. If a Family vacates its unit, the Owner, subject to State and local law, may utilize the deposit as reimbursement for any unpaid rent or other amount owed under the Lease. If the Family has provided a security deposit, and it is insufficient for such reimbursement, the Owner may claim reimbursement from the HFA, not to exceed an amount equal to the remainder of one month's Contract Rent. Any reimbursement under this Section shall be applied first toward any unpaid rent. If a Family vacates its unit owing no rent or other amount under the Lease, or if the amount owed is less than the amount of the security deposit, the Owner shall refund the full amount or the unused balance, as the case may be, to the Family.
  - (2) In those jurisdictions where interest is payable by the Owner on security deposits, the refunded amount shall include the amount of interest payable. All security deposit funds shall be deposited by the Owner in a segregated bank account, and the balance of this account, at all times, shall be equal to the total amount collected from tenants then in occupancy, plus any accrued interest. The Owner shall comply with all State and local laws regarding interest payments on security deposits.
  - (3) Families shall be expected to obtain the funds to pay security and utility deposits, if required, from their own resources and/or other private or public sources.
- c. **Eligibility, Selection and Admission of Families.**
- (1) The Owner shall be responsible for determination of eligibility of applicants, selection of families from among those determined to be eligible, and computation of the amount of housing assistance payments on behalf of each selected Family in accordance with schedules and criteria established by the Government. In the initial renting of the Contract Units, the Owner shall lease at least that percentage of those units which is stated in Section 1.1h to Very Low-Income Families (determined in accordance with the Government-established schedules and criteria) and shall thereafter exercise his best efforts to maintain at least that percentage of occupancy of the Contract Units by Very Low-Income Families as determined in accordance with such schedules and criteria.
  - (2) The Lease entered into between the Owner and each selected Family shall be on the form of Lease approved by the HFA.
  - (3) The Owner shall make a reexamination of Family income, composition, and the extent of medical or other unusual expenses incurred by the Family, at least annually (except that such reviews may be made at intervals of no longer than two years in the case of elderly Families), and appropriate redeterminations shall be made by the Owner of the amount of Family contribution and the amount of housing assistance payment, all in accordance with schedules and criteria established by the Government. In connection with the reexamination, the Owner shall determine what percentage of Families in occupancy are Very Low-Income Families. If there are fewer than the agreed to percentage of Very Low-Income Families in occupancy, the Owner shall report the fact to the HFA and shall adopt changes in his admission policies to achieve, as soon as possible, at least the agreed to percentage of occupancy by such Families.
- d. **Rent Redetermination after Adjustment in Allowance for Utilities and Other Services.** In the event that the Owner is notified of an HFA determination making an adjustment in the Allowance for Utilities and Other Services applicable to any of the Contract Units, the Owner shall promptly make a corresponding adjustment in the amount of rent to be paid by the affected Families and the amount of housing assistance payments.
- e. **Processing of Applications and Complaints.** The Owner shall process applications for admission, notifications to applicants, and complaints by applicants in accordance with applicable HFA or Government requirements and shall maintain records and furnish such copies or other information as may be required by the HFA or the Government.
- f. **Review; Incorrect Payments.** In making housing assistance payments to Owners, the HFA or the Government will review the Owner's determinations under this Section. If as a result of this review, or other reviews, audits or information received by the HFA or the Government at any time, it is determined that the Owner has received improper or excessive housing assistance payments, the HFA or the Government shall have the right to deduct the amount of such overpayments from any amounts otherwise due the Owner, or otherwise effect recovery thereof.

1.11 **TERMINATION OF TENANCY.** The Owner shall be responsible for termination of tenancies, including evictions. However, conditions for payment of housing assistance payments for any resulting vacancies shall be as set forth in Section 1.7e.

**1.12 REDUCTION OF NUMBER OF CONTRACT UNITS FOR FAILURE TO LEASE TO ELIGIBLE FAMILIES.**

- a. After First Year of Contract. If at any time, beginning six months after the effective date of this Contract, the Owner fails for a continuous period of six months to have at least 80 percent of the Contract Units leased or available for leasing by Families, the HFA, with Government approval, may on 30 days notice reduce the number of Contract Units to not less than the number of units under lease or available for leasing by Families, plus 10 percent of such number if the number is 10 or more, rounded to the next highest number.
- b. At End of Initial and Each Renewal Term. At the end of the initial term of the Contract and of each renewal term, the HFA, with Government approval, may, by notice to the Owner, reduce the number of Contract Units to not less than (1) the number of units under lease or available for leasing by Families at that time or (2) the average number of units so leased or available for leasing during the last year, whichever is the greater, plus 10 percent of such number if the number is 10 or more, rounded to the next highest number.
- c. Restoration of Units. The Government will agree to an amendment of the ACC to provide for subsequent restoration of any reduction made pursuant to paragraph a or b of this Section if the Government determines that the restoration is justified as a result of changes in demand and in the light of the Owner's record of compliance with his obligations under the Contract and if annual contributions contract authority is available; and the Government will take such steps authorized by section 8(e)(6) of the Act as may be necessary to carry out this assurance (see Section 1.6).

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

APPROVED:

United States of America  
Secretary of Housing and Urban Development

OWNER \_\_\_\_\_

By \_\_\_\_\_

Date July 1 1979

By \_\_\_\_\_

HFA VIRGINIA HOUSING DEVELOPMENT AUTHORITY

By James A. Kelly

(Official Title)

Director  
(Official Title)

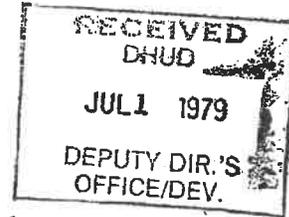
Date \_\_\_\_\_ 19 \_\_\_\_\_

Date July 1 1979

[If the project is to be completed and accepted in stages, execution of the Contract with respect to the several stages appears on the following pages of this Contract.]

EXECUTION OF CONTRACT WITH RESPECT  
TO CONTRACT UNITS COMPLETED AND ACCEPTED IN STAGES

OWNER: HOPEWELL HEIGHTS ASSOCIATES,  
A Virginia Limited Partnership  
HFA: VIRGINIA HOUSING DEVELOPMENT AUTHORITY  
MASTER SECTION 8 NUMBER: P-5512  
ACC LIST NUMBER & DATE: P-78-108; 4-28-78  
PROJECT NUMBER: VA36-H027-085  
STAGE: I



This Contract is hereby executed with respect to the units described in Exhibit A-I.

EFFECTIVE DATE - The effective date of this Contract with respect to the units described in Exhibit A-I is July 1, 1979.

INITIAL TERM OF CONTRACT - The initial term of this Contract with respect to the units described in Exhibit A-I shall be 5 years (not to exceed five years) beginning with the effective date of this Contract and ending June 30, 1984.

Date July 1, 1979

HFA Virginia Housing Development  
Authority

By James R. Kelly  
Director of Housing Management  
(Official Title)

Date July 1, 1979

APPROVED:

United States of America  
Secretary of Housing and  
Urban Development

By [Signature]  
Deputy Director of Development  
(Official Title)

Date 8/13/79, 1979

**U.S. Department of Housing and Urban Development**  
**Office of Housing**

**Project-based Section 8**

**HOUSING ASSISTANCE PAYMENTS**  
**BASIC RENEWAL CONTRACT**  
**ONE-YEAR TERM**

OMB Control #2502-0587

"Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for obtaining a signature on legally binding documents and will be used to enforce contractual obligations. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it has a currently valid OMB control number. No confidentiality is assured."

**PREPARATION OF CONTRACT**

Reference numbers in this form refer to notes at the end of the contract text. These endnotes are instructions for preparation of the Basic Renewal Contract. The instructions are not part of the Renewal Contract

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U.S. Department of Housing and Urban Development  
Office of Housing

Project-based Section 8

**HOUSING ASSISTANCE PAYMENTS  
BASIC RENEWAL CONTRACT<sup>1</sup>**

**ONE-YEAR TERM**

**1 CONTRACT INFORMATION<sup>2</sup>**

**PROJECT**

**Section 8 Project Number:** 800021888

**Section 8 Project Number of Expiring Contract:** VA36-H027-085

**FHA Project Number (if applicable):** N/A

**Project Name:** Hopewell Heights

**Project Description:**

4105 Old Iron Court, Hopewell, VA 23860

**TYPE OF RENEWAL**

- Check this box for a project renewed under Section 524(a) of MAHRA (not including a Mark-Up-To-Market renewal).
- Check this box for a project renewed at exception rents under Section 524(b)(1) of MAHRA.

**PARTIES TO RENEWAL CONTRACT**

**Name of Contract Administrator<sup>4</sup>**

UNITED STATES OF AMERICA - DEPARTMENT  
OF HOUSING AND URBAN DEVELOPMENT

---

**Address of Contract Administrator**

100 SOUTH CHARLES STREET, SUITE 500  
BALTIMORE, MARYLAND 21201

---

**Name of Owner<sup>5</sup>**

HOPEWELL HEIGHTS ASSOCIATES

---

**Address of Owner**

C/O BEACON COMMUNITIES LLC.  
2 CENTER PLAZA, SUITE 700  
BOSTON, MA 02108

---

**2 TERM AND FUNDING OF RENEWAL CONTRACT**

- a The Renewal Contract begins on 8/1/2020<sup>6</sup> and shall run for a period of one year.
- b Execution of the Renewal Contract by the Contract Administrator is an obligation by HUD of \$ 936,000<sup>7</sup>, an amount sufficient to provide housing assistance payments for approximately 7<sup>8</sup> months of the Renewal Contract term.
- c HUD will provide additional funding for the remainder of the Renewal Contract term subject to the availability of sufficient appropriations. When such appropriations are available, HUD will

obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate period of time within the Renewal Contract term to which it will be applied.

### 3 DEFINITIONS

**ACC.** Annual contributions contract.

**Contract rent.** The total monthly rent to owner for a contract unit, including the tenant rent (the portion of rent to owner paid by the assisted family).

**Contract units.** The units in the Project which are identified in Exhibit A by size and applicable contract rents.

**HAP contract.** A housing assistance payments contract between the Contract Administrator and the Owner.

**HUD.** The United States Department of Housing and Urban Development.

**HUD requirements.** HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract.

**MAHRA.** The Multifamily Assisted Housing Reform and Affordability Act of 1997 (Title V of Public Law No.105-65, October 27, 1997, 111 Stat. 1384), as amended.

**PHA.** Public housing agency (as defined and qualified in accordance with the United States Housing Act of 1937. 42 U.S.C. 1437 et seq.).

**Project.** The housing described in section 1 of the Renewal Contract.

**Renewal Contract.** This contract, including applicable provisions of the Expiring Contract (as determined in accordance with section 5 of the Renewal Contract).

**Section 8.** Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f)

## 4 RENEWAL CONTRACT

### a Parties

- (1) The Renewal Contract is a housing assistance payments contract ("HAP Contract") between the Contract Administrator and the Owner of the Project (see section 1).
- (2) If HUD is the Contract Administrator, HUD may assign the Renewal Contract to a public housing agency ("PHA") for the purpose of PHA administration of the Renewal Contract, as Contract Administrator, in accordance with the Renewal Contract (during the term of the annual contributions contract ("ACC") between HUD and the PHA). Notwithstanding such assignment, HUD shall remain a party to the provisions of the Renewal Contract that specify HUD's role pursuant to the Renewal Contract, including such provisions of section 9 (HUD requirements), section 10 (statutory changes during term) and section 11 (PHA default), of the Renewal Contract.

### b Statutory authority

The Renewal Contract is entered pursuant to section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), and section 524 of MAHRA.

### c Expiring Contract

Previously, the Contract Administrator and the Owner had entered into a HAP Contract ("expiring contract") to make Section 8 housing assistance payments to the Owner for eligible families living in the Project. The term of the expiring contract will end prior to the beginning of the term of the Renewal Contract.

### d Purpose of Renewal Contract

- (1) The purpose of the Renewal Contract is to renew the expiring contract for a one-year term. During the term of the Renewal Contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract.
- (2) Housing assistance payments shall only be paid to the Owner for contract units occupied by eligible families leasing

decent, safe and sanitary units from the Owner in accordance with statutory requirements, and with all HUD regulations and other requirements. If the Contract Administrator determines that the Owner has failed to maintain one or more contract units in decent, safe and sanitary condition, and has abated housing assistance payments to the Owner for such units, the Contract Administrator may use amounts otherwise payable to the Owner pursuant to the Renewal Contract for the purpose of relocating or rehousing assisted residents in other housing.

**e Contract units**

The Renewal Contract applies to the Contract units.

**5 EXPIRING CONTRACT – PROVISIONS RENEWED**

- a** Except as specifically modified by the Renewal Contract, all provisions of the Expiring Contract are renewed (to the extent such provisions are consistent with statutory requirements in effect at the beginning of the Renewal Contract term).
- b** All provisions of the Expiring Contract concerning any of the following subjects are not renewed, and shall not be applicable during the renewal term:
- (1)** Identification of contract units by size and applicable contract rents;
  - (2)** The amount of the monthly contract rents;
  - (3)** Contract rent adjustments; and
  - (4)** Project account (sometimes called “HAP reserve” or “project reserve”) as previously established and maintained by HUD pursuant to former Section 8(c)(6) of the United States Housing Act of 1937 (currently Section 8(c)(5) of the Act, 42 U.S.C. 1437f(c)(5)). Section 8(c)(5) does not apply to the Renewal Contract, or to payment of housing assistance payments during the Renewal Contract term.
- c** The Renewal Contract includes those provisions of the Expiring Contract that are renewed in accordance with this section 5.

**6 CONTRACT RENT****a Contract rents**

Throughout the Renewal Contract term, the contract rent for each bedroom size (number of bedrooms) shall be the contract rent amount listed in Exhibit A of the Renewal Contract.

**b No rent adjustments**

There shall be no adjustment of the contract rents during the term of the Renewal Contract. Special adjustments shall not be granted.

**7 OWNER WARRANTIES**

- a** The Owner warrants that it has the legal right to execute the Renewal Contract and to lease dwelling units covered by the contract.
- b** The Owner warrants that the rental units to be leased by the Owner under the Renewal Contract are in decent, safe and sanitary condition (as defined and determined in accordance with HUD regulations and procedures), and shall be maintained in such condition during the term of the Renewal Contract.

**8 OWNER TERMINATION NOTICE**

- a** Before termination of the Renewal Contract, the Owner shall provide written notice to the Contract Administrator and each assisted family in accordance with HUD requirements.
- b** If the Owner fails to provide such notice in accordance with the law and HUD requirements, the Owner may not increase the tenant rent payment for any assisted family until such time as the Owner has provided such notice for the required period.

**9 HUD REQUIREMENTS**

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD requirements that are inconsistent with the provisions of the Renewal Contract, including the provisions of section 6 (contract rent), shall not be applicable.

**10 STATUTORY CHANGES DURING TERM**

If any statutory change during the term of the Renewal Contract is inconsistent with section 6 of the Renewal Contract, and if HUD determines, and so notifies the Contract Administrator and the Owner, that the Contract Administrator is unable to carry out the provisions of section 6 because of such statutory change, then the Contract Administrator or the Owner may terminate the Renewal Contract upon notice to the other party.

**11 PHA DEFAULT**

- a** This section 11 of the Renewal Contract applies if the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD. This includes a case where HUD has assigned the Renewal Contract to a PHA Contract Administrator, for the purpose of PHA administration of the Renewal Contract.
- b** If HUD determines that the PHA has committed a material and substantial breach of the PHA's obligation, as Contract Administrator, to make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract, and that the Owner is not in default of its obligations under the Renewal Contract, HUD shall take any action HUD determines necessary for the continuation of housing assistance payments to the Owner in accordance with the Renewal Contract.

**12 EXCLUSION OF THIRD-PARTY RIGHTS**

- a** The Contract Administrator does not assume any responsibility for injury to, or any liability to, any person injured as a result of the Owner's action or failure to act in connection with the Contract Administrator's implementation of the Renewal Contract, or as a result of any other action or failure to act by the Owner.
- b** The Owner is not the agent of the Contract Administrator or HUD, and the Renewal Contract does not create or affect any relationship between the Contract Administrator or HUD and any lender to the Owner or any suppliers, employees, contractors or subcontractors used by the Owner in connection with implementation of the Renewal Contract.

- c** If the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD, the Contract Administrator is not the agent of HUD, and the Renewal Contract does not create any relationship between HUD and any suppliers, employees, contractors or subcontractors used by the Contract Administrator to carry out functions or responsibilities in connection with contract administration under the ACC.

**13 WRITTEN NOTICES**

- a** Any notice by the Contract Administrator or the Owner to the other party pursuant to the Renewal Contract shall be given in writing.
- b** A party shall give notice at the other party's address specified in section 1 of the Renewal Contract, or at such other address as the other party has designated by a contract notice. A party gives notice to the other party by taking steps reasonably required to deliver the notice in ordinary course of business. A party receives notice when the notice is duly delivered at the party's designated address.

**SIGNATURES**

**Contract administrator (HUD or PHA)**

Name of Contract Administrator

\_\_\_\_\_

By: \_\_\_\_\_  
Signature of authorized representative

\_\_\_\_\_  
Name and official title

Date \_\_\_\_\_

**U.S. Department of Housing and Urban Development**

By: \_\_\_\_\_  
Signature of authorized representative

\_\_\_\_\_  
Name and official title

Date \_\_\_\_\_

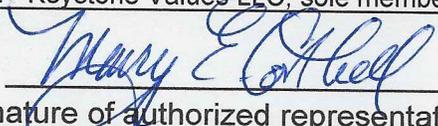
**Owner**

Name of Owner

Hopewell Heights Associates

By: NDC Realty Investments LLC, its Managing General Partner

By: Keystone Values LLC, sole member

By:   
Signature of authorized representative

Mary E. Corthell, Authorized Officer

Name and title

Date 6/29/2020

HUD-9636

Basic Renewal Contract  
One-Year Term  
REV 11-05-2007

**EXHIBIT A**

**IDENTIFICATION OF UNITS ("CONTRACT UNITS")  
BY SIZE AND APPLICABLE CONTRACT RENTS**

**Section 8 Contract Number:** VA36H027085

**FHA Project Number (if applicable):** \_\_\_\_\_

**Effective Date of the Rent Increase (if applicable):** 8/1/20

<b>Number of Contract Units</b>	<b>Number of Bedrooms</b>	<b>Contract Rent</b>	<b>Utility Allowance</b>	<b>Gross Rent</b>
<u>95</u>	<u>1</u>	<u>724</u>	<u>72</u>	<u>796</u>
<u>32</u>	<u>2</u>	<u>741</u>	<u>121</u>	<u>862</u>
<u>12</u>	<u>3</u>	<u>796</u>	<u>166</u>	<u>962</u>
<u>6</u>	<u>4</u>	<u>889</u>	<u>139</u>	<u>1028</u>
<u>5</u>	<u>2</u>	<u>807</u>	<u>110</u>	<u>917</u>
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_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**Comments:** \_\_\_\_\_

## INSTRUCTIONS FOR PREPARATION OF RENEWAL CONTRACT

The following instructions are not part of the Renewal Contract.

Endnote numbers are keyed to references in the text of the Renewal Contract.

<sup>1</sup> This form of Renewal Contract is to be used for initial and subsequent renewals of an expiring Section 8 project-based HAP contract under the authority of Section 524(a) or 524(b)(1) of MAHRA for a one-year term. Attachment 11-2 is to be used for renewals under the authority of Section 524(a) or 524(b)(1) of MAHRA for a renewal term of two or more years.

This form may not be used for Mark-Up-To-Market Renewals. The HUD prescribed form of Mark-Up-To-Market Renewal Contract must be used for this purpose.

Section 2 of the Renewal Contract specifies the date on which the one-year renewal term begins.

<sup>2</sup> To prepare the Renewal Contract for execution by the parties, fill out all contract information in section 1 and section 2.

<sup>3</sup> Enter a description of the housing that will be covered by the Renewal Contract. The description must clearly identify the Project by providing the Project's name, street address, city, county, state and zip code, block and lot number (if known), and any other information necessary to clearly designate the covered Project.

If necessary, attach an exhibit with a site plan, legal description or other descriptive information. Enter a reference to the attached exhibit.

<sup>4</sup> Enter the name of the Contract Administrator that executes the Renewal Contract. If HUD is the Contract Administrator, enter "United States of America – Department of Housing and Urban Development (HUD)". If the Contract Administrator is a public housing agency ("PHA"), enter the full legal name of the PHA.

<sup>5</sup> Enter the full legal name of the Owner. For example: "ABC Corporation, Inc., a Maryland corporation."

<sup>6</sup> The Renewal Contract must be entered before expiration of the Expiring Contract. Enter the date of the first day after expiration of the term of the Expiring Contract.

<sup>7</sup> Enter the amount of funding obligated.

<sup>8</sup> Enter a whole number of months.

R

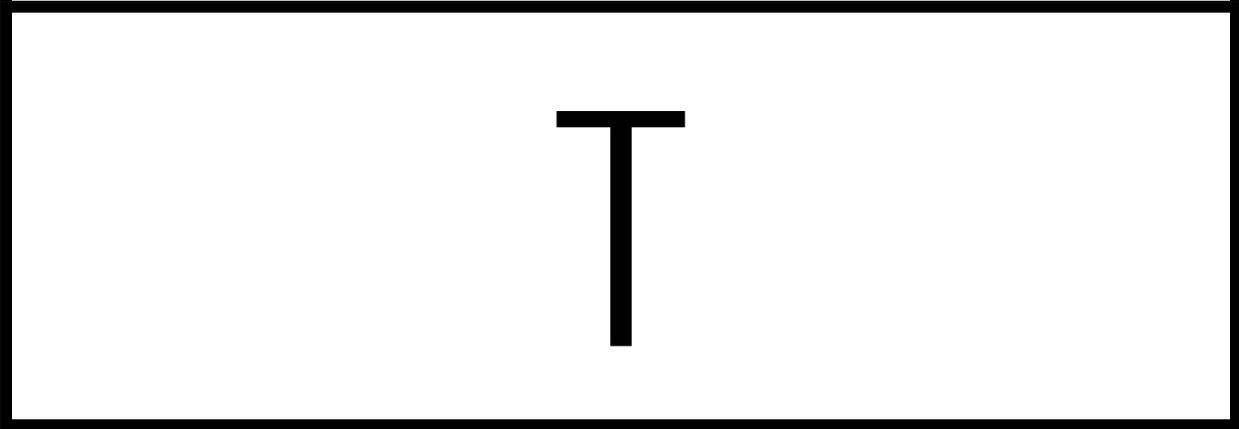
Documentation of  
Operating Budget  
and Utility Allowance

NOT AVAILABLE

S

Supportive Housing  
Certification

**NOT APPLICABLE**



T

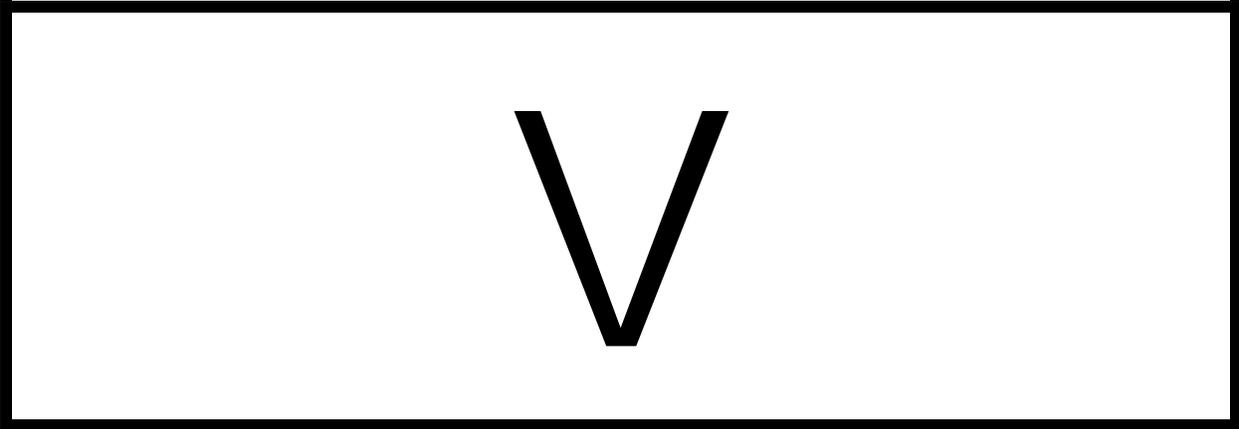
Funding Documentation

**NOT APPLICABLE**

U

Documentation to  
Request Exception to  
Restriction-Pools with  
Little/No Increase in Rent  
Burdened Population

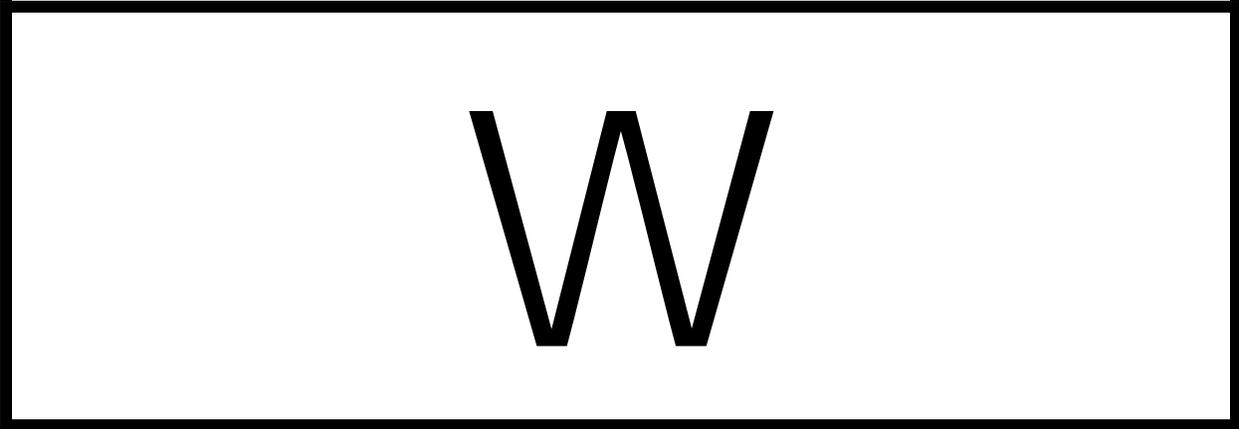
**NOT APPLICABLE**



V

Nonprofit or LHA Purchase  
Option or Right of First  
Refusal

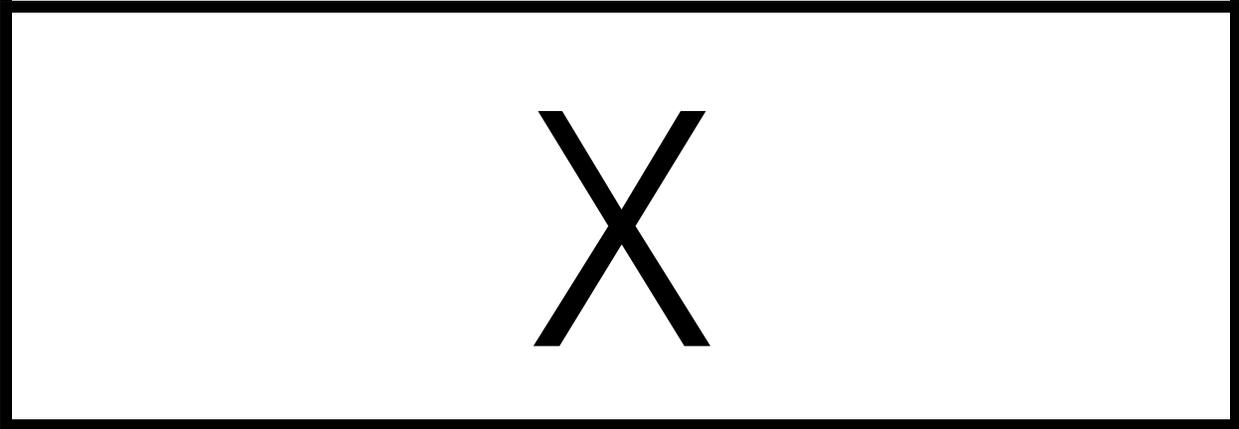
**NOT APPLICABLE**



W

Internet Safety Plan and  
Resident Information  
Form

**NOT APPLICABLE**



X

# Marketing Plan

For units meeting accessibility requirements of HUD section

504

NOT AVAILABLE

Y

Inducement Resolution  
for Tax Exempt Bonds

October 19, 2020

City Council  
City of Hopewell  
Hopewell, Virginia

**Hopewell Redevelopment and Housing Authority  
Proposed Financing for Hopewell Heights Apartments**

ENV-Hopewell Heights, LP, a Virginia limited partnership (the "Borrower"), has requested that the Hopewell Redevelopment and Housing Authority (the "Authority"), issue up to \$10,500,000 of its revenue bonds (the "Bonds") to assist the Borrower or a related entity in financing or refinancing a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of nine buildings containing approximately 150 units representing approximately 116,098 rentable square feet known as Hopewell Heights Apartments (the "Project") located at 4105 Old Iron Court in the City of Hopewell, Virginia and (b) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance").

As set forth in the resolution of the Authority attached hereto (the "Resolution"), the Authority has agreed to issue the Bonds as requested. The Authority has conducted a public hearing (the "Public Hearing") on the proposed financing of the Plan of Finance and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code") and Section 36-19(9) of the Virginia Code.

Attached hereto are: (1) a certificate evidencing the conduct of the Public Hearing, including (a) a copy of the Resolution, (b) a summary of the comments expressed at the Public Hearing and (c) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities; and (2) the form of resolution suggested by counsel to evidence your approval.

*Steven A. Barbani, Jr.*

---

Secretary, Hopewell Redevelopment and  
Housing Authority

CERTIFICATE

The undersigned Secretary of the Hopewell Redevelopment and Housing Authority (the "Authority") certifies as follows:

1. A telephonic meeting of the Authority was duly called and held at 5:15 p.m. on October 19, 2020 before the Authority pursuant to proper notice given to each Commissioner of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

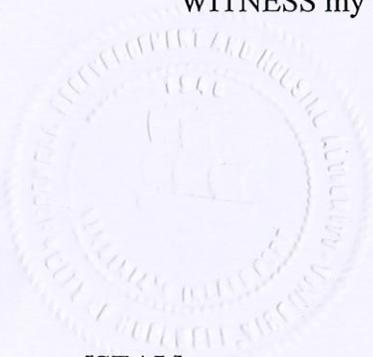
2. The Chairman announced the commencement of a public hearing on the application of ENV-Hopewell Heights, LP and a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the City of Hopewell, Virginia (the "Notice"), with the second publication appearing not less than six days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the records of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution ("Resolution") adopted at such meeting of the Authority by a majority of the Commissioners present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to the matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

5. Attached as Exhibit D is the applicant's Fiscal Impact Statement.

WITNESS my hand and the seal of the Authority, this 19<sup>th</sup> day of October, 2020.



*Steven A. Barbara, Jr.*

\_\_\_\_\_  
Secretary, Hopewell Redevelopment and  
Housing Authority

[SEAL]

Exhibits:

- A – Copy of Certified Notice
- B – Summary of Statements
- C – Resolution
- D – Fiscal Impact Statement

EXHIBIT A

NOTICE OF PUBLIC HEARING

[See Attached]

# Richmond Times-Dispatch

## Advertising Affidavit

Account Number

3577809

300 E. Franklin Street  
Richmond, Virginia 23219  
(804) 649-6208

Date

October 14, 2020

MCGUIREWOODS LLP  
GATEWAY PLAZA  
800 EAST CANAL STREET  
RICHMOND, VA 23219-3916

Date	Category	Description	Ad Size	Total Cost
10/21/2020	Meetings and Events	NOTICE OF PUBLIC HEARING BEFORE THE HOPEWELL R	2 x 39 L	518.20

### NOTICE OF PUBLIC HEARING BEFORE THE HOPEWELL REDEVELOPMENT AND HOUSING AUTHORITY ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR ENV-HOPEWELL HEIGHTS, LP

Notice is hereby given that the Hopewell Redevelopment and Housing Authority (the "Authority"), the address for which is 350 E Poydres Street, Hopewell, Virginia 23860, will hold a public hearing on the request of ENV-Hopewell Heights, LP, a Virginia limited partnership (the "Borrower"), whose address is 105 Tallapoosa Street, Suite 300, Montgomery, Alabama 36104, for the issuance by the Authority of a maximum stated principal amount of \$10,500,000 of its revenue bonds (the "Bonds") to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of nine buildings containing approximately 150 units representing approximately 116,098 rentable square feet known as Hopewell Heights Apartments (the "Project") located at 4105 Old Iron Court in the City of Hopewell, Virginia and (b) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance"). The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project is expected to be owned and used by the Borrower or a party related to the Borrower.

The Bonds will not pledge the credit or the taxing power of the Authority or the City of Hopewell, Virginia, but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing, which may be continued or adjourned, will be held at 5:15 p.m. on October 19, 2020, before the Board of Commissioners of the Authority. Due to the ongoing COVID-19 Pandemic, in accordance with applicable federal and Virginia law, the public hearing will be conducted through conference call. Members of the public may witness and participate in the public hearing by using the dial-in number and conference code set forth below.

DIAL-IN NUMBER: 1-866-292-2994

CONFERENCE CODE: 9562118259

Any person interested in the issuance of the Bonds or the Project may witness the hearing and present his or her views.

HOPEWELL REDEVELOPMENT AND HOUSING AUTHORITY

Advised: October 5 and October 12, 2020

### Publisher of the Richmond Times-Dispatch

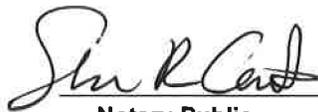
This is to certify that the attached NOTICE OF PUBLIC HEARING was published by the Richmond Times-Dispatch, Inc. in the City of Richmond, State of Virginia, on the following dates:

10/05, 10/12/2020

The First insertion being given ... 10/05/2020

Newspaper reference: 0001141283

Sworn to and subscribed before me this Wednesday, October 14, 2020



Notary Public



Billing Representative

State of Virginia  
City of Richmond  
My Commission expires

Sharon R Carsten  
NOTARY PUBLIC  
Commonwealth of Virginia  
Notary Registration Number 329549  
Registration Expires July 31 2021

THIS IS NOT A BILL. PLEASE PAY FROM INVOICE. THANK YOU

## EXHIBIT B

### SUMMARY OF STATEMENTS

Representatives of ENV-Hopewell Heights, LP and McGuireWoods LLP, bond counsel, appeared before the Authority to explain the proposed plan of financing. One member of the public appeared and asked questions about the bond financing, including questions about the newspaper in which the notice of public hearing was published. Other than as described in the immediately preceding sentence, no one appeared with questions about the project or the bond financing, and no one appeared in opposition to the proposed bond issue.

EXHIBIT C

RESOLUTION

[See Attached]

HOPEWELL REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION NO. 880

Meeting Date: October 19, 2020

TITLE: INDUCEMENT RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 150-UNIT HOPEWELL HEIGHTS APARTMENTS LOCATED IN THE CITY OF HOPEWELL, VIRGINIA

RESOLUTION:

**WHEREAS**, the Hopewell Redevelopment and Housing Authority (the "Authority") is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the "Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"), to issue its bonds for the purpose, among others, of financing the Plan of Finance (as hereinafter defined), located within the territorial boundaries of the City of Hopewell, Virginia (the "City"); and

**WHEREAS**, ENV-Hopewell Heights, LP (the "Borrower") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an aggregate maximum principal amount of \$10,500,000 (the "Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of nine buildings containing approximately 150 units representing approximately 116,098 rentable square feet known as Hopewell Heights Apartments (the "Project") located at 4105 Old Iron Court in the City of Hopewell, Virginia and expected to be owned and used by the Borrower or a party related to the Borrower and (b) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") as permitted under the Act; and

**WHEREAS**, the Project shall be established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, preliminary plans for the Plan of Finance have been described to the Authority and a public hearing (the "Public Hearing") has been held on October 19, 2020, with respect to the Plan of Finance and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906, as applicable to housing authorities, of the Virginia Code; and

**WHEREAS**, the Public Hearing described in the immediately preceding paragraph was held telephonically in accordance with Internal Revenue Service Revenue Procedure 2020-21 and the Commonwealth of Virginia's budget bill for the biennium ending June 30, 2020, as adopted by the reconvened session of the 2020 Virginia General Assembly, because the Governor of the Commonwealth of Virginia has issued Executive Order Fifty-One (2020) declaring a state of

emergency, and the nature of such emergency makes it impracticable or unsafe for the Board of Commissioners of the Authority to assemble in a single location; and

**WHEREAS**, the Authority has determined that it is in the best interest of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance the Plan of Finance, and in connection therewith to obtain tax credits for the Project.

**NOW, THEREFORE, BE IT RESOLVED BY THE HOPEWELL REDEVELOPMENT AND HOUSING AUTHORITY THAT:**

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.

2. It is hereby found and determined that the Plan of Finance will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.

3. It is hereby found and determined that the Project will constitute a "residential building" as that term is defined in the Act.

4. To induce the Borrower to undertake the Plan of Finance and maintain the Project as a "qualified residential rental project" within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrower in financing the Plan of Finance by undertaking the issuance of (and hereby declares its official intent to issue) its multifamily housing revenue bonds therefor in an aggregate maximum principal stated amount of \$10,500,000 upon the terms and conditions to be mutually agreed upon between the Authority and the Borrower. The Bonds shall be issued in form and pursuant to terms to be set by the Authority. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.

5. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Plan of Finance are hereby ratified, approved and confirmed.

6. The Authority hereby designates McGuireWoods LLP, Tysons, Virginia, to serve as bond counsel ("Bond Counsel") and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

7. The Authority hereby agrees, if requested, to accept the recommendation of the Borrower with respect to the appointment of a placement agent or underwriter for the sale of the Bonds pursuant to the terms to be mutually agreed upon.

8. The Borrower agrees to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims,

damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.

9. All costs and expenses in connection with the financing and the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, any application fee and/or origination fee), Bond Counsel, counsel for the Authority and any placement agent or underwriter for the sale of the Bonds shall be paid from the proceeds of the Bonds (but only to the extent permitted by applicable law) or by the Borrower. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

10. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

11. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrower and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the Authority to issue the Bonds for any reason. Any obligation of the Authority to exercise its powers in the City to issue the Bonds as requested by the Borrower is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrower for any damages, direct or consequential, resulting from the Authority's failure to issue Bonds for the Plan of Finance for any reason, including but not limited to, the failure of the City Council of the City (the "City Council") to approve the issuance of the Bonds.

12. The Authority recommends that the City Council approve the issuance of the Bonds, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$10,500,000 for the purpose of undertaking the Plan of Finance as required by Section 147(f) of the Code.

13. Each of the Chair, Vice Chair, Chief Executive Officer or Secretary of the Authority is authorized and directed to deliver to the City Council (1) a reasonably detailed summary of the comments, if any, expressed at the Public Hearing, (2) a fiscal impact statement concerning the Plan of Finance and (3) a copy of this resolution.

14. Each of the Chair, Vice Chair, Chief Executive Officer or Secretary of the Authority, or the designee of any of them, is hereby authorized to request an allocation or allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code) in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceeding shall be paid for by the Borrower.

15. No Bonds may be issued pursuant to this resolution until such time as (a) the issuance of the Bonds has been approved by the City Council, (b) the Bonds have received an allocation or allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder, and (c) the final terms and details of the Bonds have been approved by subsequent resolution of the Authority.

16. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Plan of Finance or of the Borrower.

17. This resolution is a Declaration of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Code. Based upon the representations of the Borrower, the Authority reasonably expects that certain costs of the Project may be reimbursed with the proceeds of the Bonds.

18. The Authority confirms the findings and determinations contained in the recitals to this Resolution setting forth the reason for the need to meet by electronic means without requiring the Board of Commissioners to physically assemble at one location during the current declared state of emergency by the Governor of the Commonwealth of Virginia arising from COVID-19.

19. This resolution shall take effect immediately upon its adoption.

Adopted: October 19, 2020

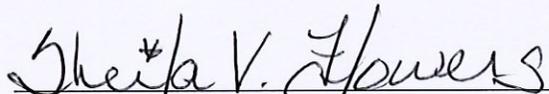
**CERTIFICATE OF VOTES**

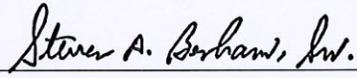
Record of the roll-call vote by the Hopewell Redevelopment and Housing Authority, upon reading on a resolution titled **"INDUCEMENT RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 150-UNIT HOPEWELL HEIGHTS APARTMENTS LOCATED IN THE CITY OF HOPEWELL, VIRGINIA"** taken at a meeting of the Authority held on October 19, 2020:

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Sheila V. Flowers, Chairman	X			
John Tunstall, Vice Chair	X			
Wendy Gant	X			
Ruth Johnson	X			
Shamika Lewis	X			

Dated: October 19, 2020

(SEAL)

  
 \_\_\_\_\_  
 Chairman, Hopewell Redevelopment and  
 Housing Authority

ATTEST:   
 \_\_\_\_\_  
 Secretary

The undersigned Secretary of the Hopewell Redevelopment and Housing Authority hereby certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Authority's commissioners present and voting at a meeting duly called and held on October 19, 2020, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

**WITNESS** my hand and the seal of the Authority this 19<sup>th</sup> day of October, 2020.

**HOPEWELL REDEVELOPMENT  
AND HOUSING AUTHORITY**

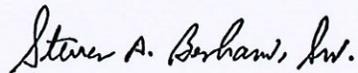
By:   
 \_\_\_\_\_  
 Secretary

EXHIBIT D

FISCAL IMPACT STATEMENT

[See Attached]

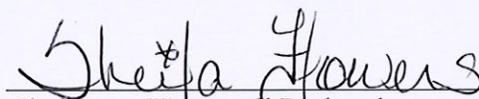
FISCAL IMPACT STATEMENT  
FOR PROPOSED BOND FINANCING

Date: October 19, 2020

Applicant: ENV-Hopewell Heights, LP

Facility: Multifamily Housing Facility in the City of Hopewell, Virginia, known as Hopewell Heights Apartments

1.	Maximum amount of financing sought.	\$10,500,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality.	\$4,500,000
3.	Estimated real property tax per year using present tax rates.	\$140,400
4.	Estimated personal property tax per year using present tax rates.	\$0
5.	Estimated merchants' capital tax per year using present tax rates.	\$0
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.	\$236,750
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$0
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$236,750
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality.	\$134,345
7.	Estimated number of regular employees on year round basis.	5
8.	Average annual salary per employee.	\$36,500



Chairman, Hopewell Redevelopment and Housing Authority

**RESOLUTION APPROVING THE ISSUANCE BY THE HOPEWELL  
REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY  
HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION,  
RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY  
150-UNIT HOPEWELL HEIGHTS APARTMENTS  
LOCATED IN THE CITY OF HOPEWELL, VIRGINIA**

WHEREAS, the Hopewell Redevelopment and Housing Authority (the "Authority") is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority (a) has considered the application of ENV-Hopewell Heights, LP, a Virginia limited partnership (the "Borrower"), requesting that the Authority issue its revenue bonds (the "Bonds") in a maximum stated principal amount of \$10,500,000 to assist the Borrower or a party related to the Borrower in financing or refinancing a portion of (i) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of nine buildings containing approximately 150 units representing approximately 116,098 rentable square feet known as Hopewell Heights Apartments (the "Project") located at 4105 Old Iron Court in the City of Hopewell, Virginia, and (ii) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") and (b) has held a public hearing in connection therewith on October 19, 2020 (the "Public Hearing"); and

WHEREAS, the Project shall be established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, Section 147(f) of the Code provides that the applicable elected representatives of the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of such bonds; and

WHEREAS, the Authority issues its bonds on behalf of the City of Hopewell, Virginia (the "City") and the Project is located in the City; and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the City Council of the City (the "Council") constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds, a certificate of the Public Hearing, a summary of the statements expressed at the Public Hearing and the fiscal impact statement concerning the Plan of Finance have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOPEWELL, VIRGINIA:

1. The Council approves the issuance of the Bonds by the Authority, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$10,500,000 for the benefit of the Borrower or a party related to the Borrower, as required by Section 147(f) of the Code, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code") and Section 36-19(9) of the Virginia Code to permit the Authority to assist in the financing of the Plan of Finance.

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Plan of Finance or the Borrower.

3. The Bonds shall provide that neither the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that neither the faith and credit nor the taxing power of the City or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. In adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, and hereby disclaim all liability for, any damages to any person, direct or consequential, resulting from the Authority's failure to issue the Bonds for any reason.

5. This resolution shall take effect immediately upon its adoption.

FINAL COUNCIL ACTION taken on the foregoing paper by the City Council of the City of Hopewell, Virginia on December 8, 2020.

**CERTIFICATE**

Record of the roll-call vote by the City Council of the City of Hopewell, Virginia, upon reading on a resolution titled "**RESOLUTION APPROVING THE ISSUANCE BY THE HOPEWELL REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 150-UNIT HOPEWELL HEIGHTS APARTMENTS LOCATED IN THE CITY OF HOPEWELL, VIRGINIA,**" taken at a meeting of the City Council held on December 8, 2020:

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Jasmine Gore, Mayor				
Patience Bennett, Vice Mayor				
Deborah Randolph				
Arlene Holloway				
Johnny Partin				
Janice Denton				
Brenda S. Pelham				

Dated: December 8, 2020

CITY COUNCIL OF THE CITY OF HOPEWELL, VIRGINIA

The undersigned Clerk of the City Council of the City of Hopewell, Virginia, hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the City Council at its meeting duly called and held on December 8, 2020, in accordance with law, and that such resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

**WITNESS** my hand and the seal of the City of Hopewell, Virginia this 8th day of December, 2020.

[SEAL]

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Clerk, City Council of the City of  
Hopewell, Virginia